



# SIKKO INDUSTRIES LIMITED

Corporate Identification Number: L51909GJ2000PLC037329

Our Company was originally incorporated as "Sikko Sprayers Private Limited" on February 08, 2000 under the provisions of Companies Act, 1956 vide certificate of Incorporation issued by Deputy Registrar of Companies, Gujarat, Dadra and Nagar Haveli at Ahmedabad. Consequent up on the conversion of our Company into public limited company, the name of our Company was changed to "Sikko Sprayers Limited" vide fresh certificate of incorporation dated March 16, 2010 issued by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Subsequently the name of our company was changed to "Sikko Industries Limited" and Fresh certificate of Incorporation pursuant to change of name was issued by Assistant Registrar of Companies, Gujarat and Dadra Nagar Haveli on March 17, 2010. The Corporate Identification Number of our Company is L51909GJ2000PLC037329. For details of changes in our Name and Registered Office of the Company and other details, kindly refer to the section titled "General Information" beginning on page no. 37 of this Letter of Offer.

Registered Office: 508, Iscon Eligance, Nr. Jain Temple Nr. Prahladnagar Pick up Stand, Vejalpur, Ahmedabad, Gujarat, India, 380051.  
Website: [www.sikkoindia.com](http://www.sikkoindia.com); E-Mail: [compliance@sikkoindia.com](mailto:compliance@sikkoindia.com); Telephone No: +91 79 6616 8950 / 51  
Company Secretary and Compliance Officer: Mr. Dhruvitkumar Mandliya

## OUR PROMOTERS: MR. GHANSHYAMBHAI KUMBHANI AND MR. JAYANTIBHAI KUMBHANI

FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF SIKKO INDUSTRIES LIMITED (OUR "COMPANY" OR THE "ISSUER") ONLY

### THE ISSUE

**RIGHT ISSUE OF UPTO 5040000 EQUITY SHARES OF FACE VALUE OF ₹ 10.00 EACH ("EQUITY SHARES" OR "RIGHTS EQUITY SHARES) OF SIKKO INDUSTRIES LIMITED ("SIL" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ 98.00 PER RIGHTS EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 88.00 PER RIGHTS EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING TO ₹ 4,939.20 LAKHS ("THE ISSUE") ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF 3 RIGHTS EQUITY SHARES FOR EVERY 10 FULLY PAID-UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON FRIDAY, DECEMBER 06, 2024 (THE "ISSUE"). FOR FURTHER DETAILS, SEE "TERMS OF THE ISSUE" BEGINNING ON PAGE 134 OF THIS LETTER OF OFFER. THE ISSUE PRICE FOR THE RIGHTS EQUITY SHARES IS 9.80 TIMES THE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, PLEASE REFER TO THE CHAPTER TITLED "TERMS OF THE ISSUE" ON PAGE 134 OF THIS LETTER OF OFFER.**

### WILLFUL DEFAULTERS AND/OR FRAUDLENT BORROWERS

Neither our company, nor our Promoters, or Directors are or have been categorized as willful defaulters or fraudulent borrowers by bank or financial institutions (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on willful defaulters or fraudulent borrowers issued by the Reserve Bank of India.

### GENERAL RISK

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk with such investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The securities being offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of this Letter of Offer. Specific attention of the investors is invited to the section titled "Risk Factors" on page 22 of this Letter of Offer.

### ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Letter of Offer contains all information with regard to our Company and the Issue, which is material in the context of the Issue, and that the information contained in this Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Letter of Offer as a whole or any such information or the expression of any such opinions or intentions misleading in any material respect.

### LISTING

The existing Equity Shares are listed on the National Stock Exchange of India Limited ("NSE" or "Stock Exchange"). Our Company has received 'in-principle' approvals from NSE for listing the Rights Equity Shares to be allotted pursuant to this Issue vide its letter No. NSE/LIST/C/2024/44141 dated October 16, 2024. Our Company will also make an application to the NSE to obtain the trading approval for the Rights Entitlements as required under the SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2020/13) dated January 22, 2020. For the purpose of this Issue, the Designated Stock Exchange is NSE.

### REGISTRAR TO THE ISSUE



**PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED**  
Address: Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (East), Mumbai – 400011, Maharashtra, India;  
Contact Number: + 91 22 4961 4132 / +91 22 4970 0138;  
Website: [www.purvashare.com](http://www.purvashare.com);  
E-mail Address: [newissue@purvashare.com](mailto:newissue@purvashare.com)  
Investor Grievance E-Mail Address: [newissue@purvashare.com](mailto:newissue@purvashare.com);  
Contact Person: Ms. Deepali Dhuri;  
SEBI Registration Number: INR000001112;  
Validity of Registration: Permanent.

### ISSUE PROGRAMME

| ISSUE OPENS ON            | LAST DATE FOR ON MARKET RENUNCIATION* | ISSUE CLOSSES ON**        |
|---------------------------|---------------------------------------|---------------------------|
| MONDAY, DECEMBER 23, 2024 | THURSDAY, JANUARY 02, 2025            | TUESDAY, JANUARY 07, 2025 |

\* Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) on or prior to the Issue Closing Date.

\*\* Our Board or a Rights Issue Committee thereof will have the right to extend the Issue period as it may determine from time to time but not exceeding 30 (thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

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## SECTION I – GENERAL

### DEFINITION AND ABBREVIATIONS

This Letter of Offer uses certain definitions and abbreviations set forth below, which you should consider when reading the information contained herein. The following list of certain capitalized terms used in this Letter of Offer is intended for the convenience of the reader/prospective investor only and is not exhaustive.

Unless otherwise specified, the capitalized terms used in this Letter of Offer shall have the meaning as defined hereunder. References to any legislations, acts, regulation, rules, guidelines, circulars, notifications, policies or clarifications shall be deemed to include all amendments, supplements or re-enactments and modifications there to notified from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under such provision.

Provided that terms used in the sections/chapters titled “*Industry Overview*”, “*Summary of Letter of Offer*”, “*Financial Information*”, “*Statement of Special Tax Benefits*”, “*Outstanding Litigation and Material Developments*” and “*Issue Related Information*” on pages 57, 18, 94, 54, 108, and 134 respectively, shall, unless indicated otherwise, have the meanings ascribed to such terms in the respective sections/chapters.

#### GENERAL TERMS

| Term   | Description   |
|--|---|
| “Sikko Industires Limited”, “our Company”, “the Company”, “the Issuer” | Sikko Industires Limited, a public limited company incorporated under the Companies Act, 1956, having its registered office at 508, Iscon Eligance, Nr. Jain Temple Nr. Prahladnagar Pick up Stand, Vejalpur, Ahmedabad, Gujarat, India, 380051 |
| “we”, “us”, or “our”   | Unless the context otherwise indicates or implies, refers to our Company.   |

#### COMPANY RELATED TERMS

| Term   | Description   |
|--|---|
| “Annual Audited Financial Statements”                  | The audited financial statements of our Company prepared under Ind AS for Fiscal 2022, 2023 and 2024 prepared in line with Ind AS notified under the Companies Act, 2013, as amended read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. |
| “Articles” / “Articles of Association” / “AoA”         | Articles / Articles of Association of our Company, as amended from time to time.  |
| “Audit Committee”                                      | Audit Committee of our Board, as describe in “ <i>Our Management - Committees of our Board</i> ” beginning on page No. 81 of this Letter of Offer.  |
| “Auditor” / “Statutory Auditor”/ “Peer Review Auditor” | Statutory and peer review auditor of our Company, namely, M/s. D G M S & Co., Chartered Accountants, Jamnagar.  |
| “Board”/ “Board of Directors”                          | Board of directors of our Company or a duly constituted committee thereof.  |
| “Chairman”   | Mr. Ghanshyam Kumbhani, the Chairman of the Company.  |
| “Chief Financial Officer / CFO”                        | Mr. Mukesh Shah, the Chief Financial Officer of our Company.  |
| “Company Secretary and Compliance Officer”             | Mr. Dhruvitkumar Mandliya, the Company Secretary and the Compliance Officer of our Company.   |
| “Director(s)”  | The director(s) on the Board of our Company, unless otherwise specified.  |
| “Equity Shareholder”                                   | A holder of Equity Shares of our company.   |
| “Equity Shares”  | Equity shares of our Company of face value of ₹ 10.00 each.   |
| “Executive Directors”                                  | Executive directors of our Company.   |



| Term  | Description  |
|---|--|
| “Independent Director(s)”                         | The independent director(s) of our Company, in terms of Section 2 (47) and Section 149(6) of the Companies Act, 2013.  |
| “Key Management Personnel” / “KMP”                | Key management personnel of our Company in terms of the Companies Act, 2013 and the SEBI ICDR Regulations as described in this Letter of Offer.  |
| “Managing Director”                               | Mr. Jayantibhai Kumbhani, the Managing Director of our Company.  |
| “Memorandum of Association” / “MoA”               | Memorandum of Association of our Company, as amended from time to time.  |
| “Nomination and Remuneration Committee”           | Nomination and remuneration committee of our Board, as described in “ <i>Our Management – Committees of our Board</i> ” beginning on page 81 of this Letter of Offer.  |
| “Non-executive Directors”                         | Non-executive Directors of our Company.  |
| “Non-Executive and Independent Director”          | Non-executive and independent directors of our Company, unless otherwise specified   |
| “Promoter Group”                                  | Persons and entities forming part of the promoter group of our Company as determined in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations   |
| “Promoters”                                       | Mr. Ghanshyambhai Kumbhani And Mr. Jayantibhai Kumbhani are the Promoters of our Company. For further details, see “ <i>Our Promoters and Promoter Group</i> ” on page 91 of this Letter of Offer.   |
| “Registered Office”                               | The registered office of our Company is located at 508, Iscon Eligance, Nr. Jain Temple Nr. Prahladnagar Pick up Stand, Vejalpur, Ahmedabad, Gujarat, India, 380051  |
| “Registrar of Companies”/ “ROC”                   | Registrar of Companies, Ahmedabad situated at ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad – 380 013, Gujarat  |
| “Shareholders / Equity Shareholders”              | The Equity Shareholders of our Company, from time to time.   |
| “Unaudited Financial Result” / “Financial Result” | The Unaudited Financial Result of our Company for the quarter and half year ended on September 30, 2024 prepared in line with Ind AS notified under the Companies Act, 2013, as amended read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. |
| “Whole-Time Director”                             | Mr. Ghanshyambhai Kumbhani, the Whole-Time Director of our Company.  |

#### ISSUE RELATED TERMS

| Term                           | Description   |
|--------------------------------|---|
| Abridged Letter of Offer       | Abridged Letter of Offer to be sent to the Eligible Equity Shareholders with respect to the Issue in accordance with the provisions of the SEBI ICDR Regulations and the Companies Act.   |
| Additional Right Equity Shares | The Rights Equity shares applied or allotted under the issue in addition to the Rights Entitlements.  |
| Allot/Allotment/Allotted       | Allotment of Rights Equity Shares pursuant to the Issue.  |
| Allotment Account              | The account opened with the Banker(s) to the Issue, into which the Application Money lying to the credit of the escrow account(s) and amounts blocked by Application Supported by Blocked Amount in the ASBA Account, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act. |
| Allotment Account Bank         | Bank(s) which are clearing members and registered with SEBI as bankers to an  |



| Term  | Description   |
|---|---|
|   | issue and with whom the Allotment Accounts will be opened, in this case being, ICICI Bank Limited.  |
| Allotment Advice  | Note, advice or intimation of Allotment sent to each successful Applicant who has been or is to be Allotted the Rights Equity Shares pursuant to the Issue.   |
| Allotment Date  | Date on which the Allotment is made pursuant to this Issue.   |
| Allottee(s)   | Persons to whom the Rights Equity Shares are Allotted pursuant to the Issue.  |
| Applicant(s) / Investor(s)                              | Eligible Equity Shareholder(s) and/or Renouncee (s) who make an application for the Rights Equity Shares pursuant to the Issue in terms of this Letter of Offer, including an ASBA Investor.  |
| Application   | Application made through submission of the Application Form or plain paper Application to the Designated Branch of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process to subscribe to the Rights Equity Shares at the Issue Price.   |
| Application Form  | Unless the context otherwise requires, an application form (including online application form available for submission of application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process) used by an Applicant to make an application for the Allotment of Rights Equity Shares in this Issue.                                   |
| Application Money                                       | Aggregate amount payable in respect of the Rights Equity Shares applied for in the Issue at the Issue Price.  |
| Application Supported by Blocked Amount/ASBA            | Application (whether physical or electronic) used by ASBA Applicants to make an Application authorizing a SCSB to block the Application Money in the ASBA Account   |
| ASBA Account  | Account maintained with a SCSB and specified in the Application Form or plain paper application, as the case may be, for blocking the amount mentioned in the Application Form or the plain paper application, in case of Eligible Equity Shareholders, as the case may be.   |
| ASBA Applicant / ASBA Investor                          | As per the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, all investors (including renounees) shall make an application for a rights issue only through ASBA facility.  |
| ASBA Bid  | A Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations.  |
| Banker(s) to the Issue                                  | Collectively, the Escrow Collection Bank and the Refund Banks to the Issue, in this case being ICICI Bank Limited   |
| Bankers to the Issue Agreement                          | Agreement dated November 07, 2024 entered into by and amongst our Company, the Registrar to the Issue and the Bankers to the Issue for collection of the Application Money from Applicants/Investors, transfer of funds to the Allotment Account and where applicable, refunds of the amounts collected from Applicants/Investors, on the terms and conditions thereof. |
| Basis of Allotment                                      | The basis on which the Rights Equity Shares will be Allotted to successful applicants in the Issue and which is described in “ <i>Terms of the Issue</i> ” on page No. 134 of this Letter of Offer.   |
| Controlling Branches/ Controlling Branches of the SCSBs | Such branches of SCSBs, which coordinate Bids under the Issue with the Registrar and the Stock Exchange, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> .   |
| Demographic Details                                     | Details of Investors including the Investor’s address, name of the Investor’s father/ husband, investor status, occupation and bank account details, where  |



| Term                                  | Description   |
|---------------------------------------|---|
|                                       | applicable.   |
| Depository(ies)                       | NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996.  |
| Designated SCSB Branches              | Such branches of the SCSBs which shall collect the ASBA Forms submitted by ASBA Bidders, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> , updated from time to time, or at such other website as may be prescribed by SEBI from time to time. |
| Designated Stock Exchange             | National Stock Exchange of India Limited (NSE)  |
| Draft Letter of Offer / DLOF          | The Draft Letter of Offer dated September 14, 2024 filed with the Stock Exchange and submitted with SEBI.   |
| Eligible Equity Shareholders          | Existing Equity Shareholders as on the Record Date i.e. Friday, December 06, 2024.<br>Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders.  |
| Escrow Collection Bank                | Banks which are clearing members and registered with SEBI as bankers to an issue and with whom Escrow Account(s) will be opened, in this case being ICICI Bank Limited.   |
| FII / Foreign Institutional Investors | Foreign Institutional Investor [as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended] registered with SEBI under applicable laws in India.   |
| Fugitive Economic Offender            | An individual who is declared a fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018  |
| IEPF                                  | Investor Education and Protection Fund  |
| ISIN                                  | International securities identification number is INE112X01017  |
| Issue / Rights Issue                  | Up to 5040000 Equity Shares of face value of ₹ 10.00 each for cash at a price of ₹ 98.00 (Including a premium of ₹ 88.00) per Rights Equity Share not exceeding an amount of ₹ 4,939.20 Lakhs on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of 3 Rights Equity Shares for every 10 Equity Shares held by the Eligible Equity Shareholders of our Company on the Record Date.                                |
| Issue Closing Date                    | Tuesday, January 07, 2025   |
| Issue Opening Date                    | Monday, December 23, 2024   |
| Issue Period                          | The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/Investors can submit their applications, in accordance with the SEBI ICDR Regulations.  |
| Issue Price                           | ₹ 98.00 per Rights Equity Share including Premium of ₹ 88.00 per Equity Share.  |
| Issue Proceeds                        | Gross proceeds of the Issue.  |
| Issue Size                            | Up to 5040000 Equity Shares of face value of ₹ 10.00 each for cash at a price of ₹ 98.00 (Including a premium of ₹ 88.00) per Rights Equity Share not exceeding an amount of ₹ 4,939.20 Lakhs.  |
| Letter of Offer / LOF                 | This letter of offer dated Wednesday, December 04, 2024 filed with the Stock Exchange and submitted with SEBI.  |
| Net Proceeds                          | Proceeds of the Issue less our Company's share of Issue related expenses. For   |





| Term  | Description  |
|---|--|
|   | further information about the Issue related expenses, see “ <i>Object of the Issue</i> ” on page 45 of this Letter of Offer.   |
| Net Worth   | Net worth as defined under Section 2(57) of the Companies act 2013   |
| Non-ASBA Investor/ Non-ASBA Applicant                                     | Investors other than ASBA Investors who apply in the Issue otherwise than through the ASBA process comprising Eligible Equity Shareholders holding Equity Shares in physical form or who intend to renounce their Rights Entitlement in part or full and Renounees.  |
| Non-Institutional Bidders or NIIs   | An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1)(jj) of the SEBI ICDR Regulations.  |
| Off Market Renunciation   | The renunciation of Rights Entitlements undertaken by the Investor by transferring them through off market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Depositories, from time to time, and other applicable laws.  |
| On Market Renunciation  | The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchange through a registered stockbroker in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Stock Exchange, from time to time, and other applicable laws, on or before Thursday, January 02, 2025.   |
| QIBs or Qualified Institutional Buyers                                    | Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.  |
| Record Date   | Designated date for the purpose of determining the Equity Shareholders eligible to apply for Rights Equity Shares, being Friday, December 06, 2024.  |
| Refund Bank(s)  | The Banker(s) to the Issue with whom the Refund Account(s) will be opened, in this case being, ICICI Bank Limited.   |
| “Registrar to the Issue”  | Purva Sharegistry (India) Private Limited  |
| Registrar Agreement   | Agreement dated July 10, 2024 entered into among our Company and the Registrar in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.  |
| Renounee(s)   | Person(s) who has/have acquired Rights Entitlements from the Eligible Equity Shareholders on renunciation either through On Market Renunciation or through Off Market Renunciation in accordance with the SEBI ICDR Regulations, the SEBI– Rights Issue Circular, the Companies Act and any other applicable law.  |
| Renunciation Period   | The period during which the Investors can renounce or transfer their Rights Entitlements, which shall commence from the Issue Opening Date. Such period shall close on Thursday, January 02, 2025 in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounee on or prior to the Issue Closing Date.  |
| Retail Individual Bidders(s)/Retail Individual Investor(s)/ RII(s)/RIB(s) | An individual Investor (including an HUF applying through karta) who has applied for Rights Equity Shares and whose Application Money is not more than ₹ 200,000 in the Issue as defined under Regulation 2(1)(vv) of the SEBI ICDR Regulations  |
| Rights Entitlements   | The number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by the Eligible Equity Shareholder on the Record Date, being Friday, December 06, 2024, 3 Rights Equity Shares for every 10 Equity Shares held on the Record Date.<br>Pursuant to the provisions of the SEBI ICDR Regulations and the SEBI – Rights Issue Circular, the Rights Entitlements shall be credited in dematerialized form in respective demat accounts of the Eligible Equity Shareholders before the Issue |





| Term                                      | Description  |
|---|--|
|   | Opening Date.  |
| Rights Entitlement Letter                 | Letter including details of Rights Entitlements of the Eligible Equity Shareholders. The Rights Entitlements will also accessible on the website of our Company and Registrar.   |
| Rights Equity Shares                      | Equity Shares of our Company to be Allotted pursuant to this Issue.  |
| SEBI Rights Issue Circulars               | Collectively, SEBI circular, bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020.   |
| Self-Certified Syndicate Banks” or “SCSBs | The banks registered with SEBI, offering services (i) in relation to ASBA (other than through UPI mechanism), a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> or <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> , as applicable, or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI mechanism), a list of which is available on the website of SEBI at <a href="https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as updated from time to time |
| Stock Exchanges                           | Stock exchange where the Equity Shares are presently listed, being National Stock Exchange of India Limited (NSE).   |
| Transfer Date                             | The date on which the amount held in the escrow account(s) and the amount blocked in the ASBA Account will be transferred to the Allotment Account, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange.   |
| Wilful Defaulter                          | A Company or person, as the case may be, categorized as a wilful defaulter or Fraudulent Borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI, including any company whose director or promoter is categorized as such.   |
| Working Days                              | All days other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Issue Period, Term Description the term Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/Issue Closing Date and the listing of the Equity Shares on the Stock Exchange. “Working Day” shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per the circulars issued by SEBI.  |

#### CONVENTIONAL AND GENERAL TERMS OR ABBREVIATIONS

| Term | Description  |
|------|--|
| A/c  | Account  |
| AGM  | Annual general meeting   |
| AIF  | Alternative investment fund, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 |
| AS   | Accounting Standards issued by the Institute of Chartered Accountants of India   |
| CDSL | Central Depository Services (India) Limited.   |
| CFO  | Chief Financial Officer  |



| Term                                | Description  |
|-------------------------------------|--|
| CIN                                 | Corporate Identification Number  |
| Companies Act, 2013 / Companies Act | Companies Act, 2013 along with rules made thereunder.  |
| Companies Act 1956                  | Companies Act, 1956, and the rules thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections).  |
| CSR                                 | Corporate Social Responsibility  |
| Depository(ies)                     | A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.  |
| Depositories Act                    | The Depositories Act, 1996   |
| DIN                                 | Director Identification Number   |
| DP ID                               | Depository Participant's Identification Number   |
| EBITDA                              | Earnings before Interest, Tax, Depreciation and Amortization   |
| EGM                                 | Extraordinary General Meeting  |
| EPS                                 | Earnings per share   |
| ESI Act                             | Employees' State Insurance Act, 1948   |
| FCNR Account                        | Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA   |
| FEMA                                | The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder   |
| FEMA Regulations                    | The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017.  |
| Financial Year/Fiscal               | The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year   |
| FPIs                                | A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations, provided that any FII who holds a valid certificate of registration shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 |
| FVCI                                | Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI   |
| GDP                                 | Gross Domestic Product   |
| GoI / Government                    | The Government of India  |
| GST                                 | Goods and Services Tax   |
| HUF(s)                              | Hindu Undivided Family(ies)  |
| ICAI                                | Institute of Chartered Accountants of India  |
| ICSI                                | The Institute of Company Secretaries of India  |
| IFRS                                | International Financial Reporting Standards  |
| IFSC                                | Indian Financial System Code   |
| Income Tax Act / IT Act             | Income Tax Act, 1961   |



| Term                             | Description  |
|----------------------------------|--|
| Ind AS                           | The Indian Accounting Standards referred to in the Companies (Indian Accounting Standard) Rules, 2015, as amended  |
| Indian GAAP                      | Generally Accepted Accounting Principles in India  |
| Insider Trading Regulations      | Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended  |
| Insolvency Code                  | Insolvency and Bankruptcy Code, 2016, as amended   |
| INR or ₹ or Rs. Or Indian Rupees | Indian Rupee, the official currency of the Republic of India.  |
| ISIN                             | International Securities Identification Number   |
| IT                               | Information Technology   |
| MCA                              | The Ministry of Corporate Affairs, GoI   |
| Mn / mn                          | Million  |
| Mutual Funds                     | Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996  |
| N.A. or NA                       | Not Applicable   |
| NAV                              | Net Asset Value  |
| Notified Sections                | The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect.  |
| NSDL                             | National Securities Depository Limited   |
| NSE                              | National Stock Exchange of India Limited   |
| OCB                              | A company, partnership, society or other corporate body owned directly or indirectly to the extent of atleast 60% by NRI's including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Issue. |
| p.a.                             | Per annum  |
| P/E Ratio                        | Price/Earnings Ratio   |
| PAN                              | Permanent account number   |
| PAT                              | Profit after Tax   |
| Payment of Bonus Act             | Payment of Bonus Act, 1965   |
| Payment of Gratuity Act          | Payment of Gratuity Act, 1972  |
| RBI                              | The Reserve Bank of India  |
| RBI Act                          | Reserve Bank of India Act, 1934, as amended  |
| Regulation S                     | Regulation S under the United States Securities Act of 1933, as amended  |
| SCRA                             | Securities Contract (Regulation) Act, 1956, as amended   |
| SCRR                             | The Securities Contracts (Regulation) Rules, 1957 as amended   |
| SEBI FPI Regulations             | Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended   |
| SEBI ICDR Regulations            | The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended  |



| Term                      | Description   |
|---------------------------|---|
| SEBI Listing Regulations  | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended            |
| SEBI Takeover Regulations | The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended        |
| SEBI VCF Regulations      | Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996  |
| Securities Act            | The United States Securities Act of 1933.   |
| STT                       | Securities Transaction Tax  |
| State Government          | The government of a state in India  |
| Trademarks Act            | Trademarks Act, 1999  |
| TDS                       | Tax deducted at source  |
| US\$/ USD/ US Dollar      | United States Dollar, the official currency of the United States of America   |
| USA/ U.S./ US             | United States of America, its territories and possessions, any state of the United States of America and the District of Columbia |
| U.S. GAAP                 | Generally Accepted Accounting Principles in the United States of America  |

#### INDUSTRY RELATED TERMS

| Term  | Description   |
|-------|---|
| AA Y  | Antodaya Ann Yojna                                      |
| ACC   | advanced chemistry cell                                 |
| AIDef | AI in Defence   |
| AIFs  | Alternative Investment Funds                            |
| BGs   | bank guarantees   |
| BOT   | Build-Operate-Transfer                                  |
| BSNL  | Bharat Sanchar Nigam Limited                            |
| CAD   | current account deficit                                 |
| CAGR  | compound annual growth rate                             |
| CAZRI | Central Arid Zone Research Institute                    |
| CCSS  | carbon capture sequestration and storage                |
| CEPA  | India-UAE Comprehensive Partnership Agreement           |
| CGSS  | Credit Guarantee Scheme for Start-ups                   |
| CPI   | Consumer Price Index                                    |
| CSO   | Central Statistics Office                               |
| DII   | Domestic Institutional Investors                        |
| DIPP  | Department of Industrial Policies and Promotion         |
| DoS   | Department of Space                                     |
| DPA   | Deendayal Port Authority                                |
| DPIIT | Department for Promotion of Industry and Internal Trade |

| Term        | Description  |
|-------------|--|
| EDP         | Entrepreneurship Development Programme                   |
| EMDEs       | emerging market and developing economies                 |
| EPA         | Environmental Protection Agency                          |
| EPFO        | Employees' Provident Fund Organisation                   |
| ESI         | Employee State Insurance                                 |
| ETPs        | Effluent Treatment Plant                                 |
| FCNR        | Foreign Currency Non-Resident                            |
| FDI         | Foreign Direct Investment                                |
| FII         | Foreign Institutional Investors                          |
| FIPB        | Foreign Investment Promotion Board                       |
| FMCG        | Fast Moving Consumer Goods                               |
| FPIs        | Foreign Portfolio Investors                              |
| FRE         | First Revised Estimates                                  |
| FTAs        | Free Trade Agreements                                    |
| FY          | Financial Year   |
| GDP         | Gross Domestic Product                                   |
| G-secs      | government securities                                    |
| GST         | Goods and Services Tax                                   |
| GVA         | Gross Value Added  |
| HACCP       | Hazard Analysis and Critical Control Points              |
| HFI         | High-Frequency Indicators                                |
| IDRCL       | India Debt Resolution Co. Ltd                            |
| IFFCO       | Indian Farmers Fertiliser Cooperative Limited            |
| IMF         | International Monetary Fund                              |
| IndAus ECTA | India-Australia Economic Cooperation and Trade Agreement |
| IVFA        | India Value Fund Advisors                                |
| LMT         | lakh metric tonnes                                       |
| MEIS        | Merchandise Exports from India Scheme                    |
| MFP         | Mega Food Parks  |
| MOCI        | Minister of Commerce and Industry                        |
| MoSPI       | Ministry of Statistics & Programme Implementation        |
| MoU         | Memorandum of Understanding                              |
| M-SIPS      | Modified Special Incentive Package Scheme                |
| MSME        | Micro, Small & Medium Enterprises                        |
| MYEA        | Mid-Year Economic Analysis                               |
| NABARD      | National Bank for Agriculture and Rural Development      |



| Term          | Description   |
|---------------|---|
| NaBFID        | National Bank for Financing Infrastructure and Development    |
| NARCL         | National Asset Reconstruction Company Ltd                     |
| NBS           | nutrient based subsidy  |
| NGHM          | National Green Hydrogen Mission                               |
| PHH           | Primary Household   |
| PLI           | Production Linked Incentive Scheme                            |
| PM-DevINE     | Prime Minister's Development Initiative for North-East Region |
| PMGKAY        | Pradhan Mantri Garib Kalyan Ann Yojana                        |
| PMGKY         | Pradhan Mantri Garib Kalyan Yojana                            |
| PMSY          | Pradhan Mantri Suryodaya Yojana                               |
| PP Sheet      | Polypropylene Sheet   |
| PPP           | Public-Private Partnership                                    |
| PPP           | purchasing power parity                                       |
| RBI           | Reserve Bank of India   |
| RPS           | Retention Pricing Scheme                                      |
| SDLs          | State Development Loans                                       |
| SPI           | Strengthening of Pharmaceutical Industry                      |
| SSP           | single super phosphate  |
| TTDF          | Telecom Technology Development Fund                           |
| UDAY          | Ujwal DISCOM Assurance Yojana Scheme                          |
| UNIDO         | United Nations Industrial Development Organization            |
| US/ U.S./ USA | United States of America                                      |
| USD           | US Dollars  |
| USOF          | Universal Service Obligation Fund                             |
| WPI           | Wholesale Price Index   |
| WSFs          | Water soluble fertilizers                                     |



## PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

### Certain Conventions

All references to “India” contained in this Letter of Offer are to the Republic of India and its territories and possessions and all references herein to the “Government”, “Indian Government”, “GOI”, Central Government” or the “State Government” are to the Government of India, central or state, as applicable.

Unless otherwise specified or the context otherwise requires, all references in this Letter of Offer to the ‘US’ or ‘U.S.’ or the ‘United States’ are to the United States of America and its territories and possessions.

Unless otherwise specified, any time mentioned in this Letter of Offer is in Indian Standard Time (“IST”). Unless indicated otherwise; all references to a year in this Letter of Offer are to a calendar year.

A reference to the singular also refers to the plural and one gender also refers to any other gender, wherever applicable.

Unless stated otherwise, all references to page numbers in this Letter of Offer are to the page numbers of this Letter of Offer.

### Financial Data

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Letter of Offer has been derived from our Financial Statements. For details, please see “*Financial Information*” on page 94 of this Letter of Offer. Our Company’s financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year.

The GOI has adopted the Indian accounting standards (“**Ind AS**”), which are converged with the International Financial Reporting Standards of the International Accounting Standards Board (“**IFRS**”) and notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (the “**Ind AS Rules**”).

The Financial Result for the quarter and half year ended on September 30, 2024 and the Financial Statements of our Company for the Financial Years ended March 2022, 2023 and 2024 are prepared in accordance with Ind AS as prescribed under Section 133 of Companies Act read with the Ind AS Rules and other the relevant provisions of the Companies Act and restated in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (revised), 2019, issued by the ICAI. Our Company publishes its financial statements in Rupees.

In this Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off and unless otherwise specified all financial numbers in parenthesis represent negative figures. Our Company has presented all numerical information in this Letter of Offer in “lakh” units or in whole numbers where the numbers have been too small to represent in lakh. One lakh represents 1,00,000 and one million represents 1,000,000.

There are significant differences between Ind AS, US GAAP and IFRS. We have not provided a reconciliation of the financial information to IFRS or US GAAP. Our Company has not attempted to also explain those differences or quantify their impact on the financial data included in this Letter of Offer, and you are urged to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Letter of Offer will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with these accounting principles and regulations on our financial disclosures presented in this Letter of Offer should accordingly be limited. For further information, see “*Financial Information*” on page 94 of this Letter of Offer.

Certain figures contained in this Letter of Offer, including financial information, have been subject to rounded off adjustments. All figures in decimals (including percentages) have been rounded off to one or two decimals. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Letter of Offer rounded-off to such number of decimal points as provided in such respective sources. In this Letter of Offer, (i) the sum or percentage change of certain numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Any such discrepancies are due to rounding off.





## Currency and Units of Presentation

All references to:

- “Rupees” or “₹” or “INR” or “Rs.” are to Indian Rupee, the official currency of the Republic of India;
- “USD” or “US\$” or “\$” are to United States Dollar, the official currency of the United States of America; and
- “Euro” or “€” are to Euros, the official currency of the European Union.

Our Company has presented certain numerical information in this Letter of Offer in “lakh” or “Lac” units or in whole numbers. One lakh represents 1,00,000 and one million represents 1,000,000. All the numbers in the document have been presented in lakh or in whole numbers where the numbers have been too small to present in lakh. Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Position and Results of Operation*” and elsewhere in this Letter of Offer, unless otherwise indicated, have been calculated based on our Restated Financial Information.

## Exchange Rates

This Letter of Offer contains conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all. The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

| Currency | Exchange rate as on |                |                |                |
|----------|---------------------|----------------|----------------|----------------|
|          | September 30, 2024  | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| 1 USD    | 83.7888             | 83.3739        | 82.2169        | 75.8071        |
| 1 Euro   | 93.5340             | 90.2178        | 89.6076        | 84.6599        |

(Source: RBI reference rate <https://www.fbil.org.in/#/home>)

## Industry and Market Data

Unless stated otherwise, industry and market data used in this Letter of Offer has been obtained or derived from publicly available information as well as industry publications and sources.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured.

Although we believe the industry and market data used in this Letter of Offer is reliable, it has not been independently verified by us, or any of affiliates or advisors. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors*” on page 22 of this Letter of Offer. Accordingly, investment decisions should not be based solely on such information.

The extent to which the market and industry data used in this Letter of Offer is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry source.



## FORWARD – LOOKING STATEMENTS

Certain statements contained in this Letter of Offer that are not statements of historical fact constitute ‘forward-looking statements.’ Investors can generally identify forward-looking statements by terminology including ‘anticipate’, ‘believe’, ‘continue’, ‘can’, ‘could’, ‘estimate’, ‘expect’, ‘future’, ‘forecast’, ‘intend’, ‘may’, ‘objective’, ‘plan’, ‘potential’, ‘project’, ‘pursue’, ‘shall’, ‘should’, ‘target’, ‘will’, ‘would’ or other words or phrases of similar import. Similarly, statements that describe our objectives, plans or goals are also forward- looking statements. However, these are not the exclusive means of identifying forward-looking statements. All statements regarding our Company’s expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements may include planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts) and other matters discussed in this Letter of Offer that are not historical facts.

These forward-looking statements contained in this Letter of Offer (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward- looking statement. Important factors that could cause our actual results, performances and achievements to differ materially from any of the forward-looking statements include, among others:

- performance of the industries in which our clients operate;
- performance of our key clients and our relationship with our intermediaries;
- adverse effect of competition on our market share and profits;
- changes in technology and our ability to manage any disruption or failure of our technology systems;
- our ability to:
  - manage our growth effectively;
  - manage our credit risk;
  - manage our quality of services;
- hire and retain senior management personnel and other skilled manpower;
- manage cost of compliance with labor laws or other regulatory developments;
- manage our operating costs;
- manage breakdown or failure of equipment, power supply or processes, natural disasters and accidents;
- successfully implement our business strategies and expansion plans;
- maintain effective internal controls;
- adequate and timely supply of assets necessary for our operations such as vehicles and equipment;
- state of road, air and other transportation infrastructure in India;
- changes in general, political, social and economic conditions in India and elsewhere;
- general levels of GDP growth, and growth in employment and personal disposable income; and
- Economic uncertainties, fiscal crises or instability in India.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see “*Risk Factors*”, “*Business Overview*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” beginning on pages 22, 65 and 98 respectively, of this Letter of Offer. By their nature, certain market risk disclosures are only estimating and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.



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Forward-looking statements reflect the current views of our Company as at the date of this Letter of Offer and are not a guarantee or assurance of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Accordingly, we cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct and given the uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialize, or if any of our Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements. None of our Company, our Directors, nor any of their respective affiliates has any obligation to update or otherwise revise any statements reflecting circumstances arising after the date of this Letter of Offer or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company will ensure that investors are informed of material developments from the date of this Letter of Offer until the time of receipt of the listing and trading permissions from the Stock Exchanges.



## NOTICE TO INVESTORS

The distribution of this Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Letter of Offer, the Abridged Letter of Offer or Application Form may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch through email and courier this Letter of Offer / Abridged Letter of Offer, Application Form and Rights Entitlement Letter only to Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. Further, this Letter of Offer will be provided, through email and courier, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case, who make a request in this regard. Investors can also access this Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company, the Stock Exchanges.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose. Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer, the Abridged Letter of Offer or any offering materials or advertisements in connection with the Issue may not be distributed, in whole or in part, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer or the Abridged Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, this Letter of Offer and the Abridged Letter of Offer must be treated as sent for information purposes only and should not be acted upon for subscription to the Rights Equity Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of this Letter of Offer or the Abridged Letter of Offer or Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send this Letter of Offer or the Abridged Letter of Offer to any person outside India where to do so, would or might contravene local securities laws or regulations. If this Letter of Offer or the Abridged Letter of Offer or Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares or the Rights Entitlements referred to in this Letter of Offer, the Abridged Letter of Offer or the Application Form.

Any person who makes an application to acquire the Rights Entitlements or the Rights Equity Shares offered in the Issue will be deemed to have declared, represented, warranted and agreed that such person is authorised to acquire the Rights Entitlements or the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction. Our Company, the Registrar or any other person acting on behalf of our Company reserves the right to treat any Application Form as invalid where they believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements and we shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

Neither the delivery of this Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Letter of Offer and the Abridged Letter of Offer and the Application Form and Rights Entitlement Letter or the date of such information.

**THE CONTENTS OF THIS LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE OFFER RIGHTS OF EQUITY SHARES OR RIGHTS ENTITLEMENTS. ACCORDINGLY, EACH INVESTOR SHOULD CONSULT THEIR OWN COUNSEL, BUSINESS ADVISOR AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE OFFER OF EQUITY SHARES. IN ADDITION, OUR COMPANY IS NOT MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE EQUITY SHARES REGARDING THE LEGALITY OF AN INVESTMENT IN THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.**

### **NO OFFER IN THE UNITED STATES**

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States of America or the territories or possessions thereof ("United States"), except in a transaction not subject to, or exempt from, the registration requirements of the Securities Act and applicable state securities laws. The offering to which this Letter of Offer relates is



not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement for sale in the United States or as a solicitation therein of an offer to buy any of the Rights Equity Shares or Rights Entitlement. There is no intention to register any portion of the Issue or any of the securities described herein in the United States or to conduct a public offering of securities in the United States. Accordingly, this Letter of Offer / Abridged Letter of Offer and the enclosed Application Form and Rights Entitlement Letters should not be forwarded to or transmitted in or into the United States at any time. In addition, until the expiry of 40 days after the commencement of the Issue, an offer or sale of Rights Entitlements or Rights Equity Shares within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the Securities Act.

Neither our Company nor any person acting on our behalf will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on our behalf has reason to believe is in the United States when the buy order is made. Envelopes containing an Application Form and Rights Entitlement Letter should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares Issue and wishing to hold such Equity Shares in registered form must provide an address for registration of these Equity Shares in India. Any person who acquires Rights Entitlements and the Rights Equity Shares will be deemed to have declared, represented, warranted and agreed that, (i) it is not and that at the time of subscribing for such Rights Equity Shares or the Rights Entitlements, it will not be, in the United States, and (ii) it is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations.

Our Company reserves the right to treat any Application Form as invalid which: (i) does not include the certification set out in the Application Form to the effect that the subscriber is authorised to acquire the Rights Equity Shares or Rights Entitlement in compliance with all applicable laws and regulations; (ii) appears to us or our agents to have been executed in or dispatched from the United States; or (iii) where our Company believes that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

The Rights Entitlements may not be transferred or sold to any person in the United States.

The Rights Entitlements and the Rights Equity Shares have not been approved or disapproved by the US Securities and Exchange Commission (the "US SEC"), any state securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Rights Entitlements, the Rights Equity Shares or the accuracy or adequacy of this Letter of Offer.

Any representation to the contrary is a criminal offence in the United States.

The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer / Letter of Offer.

Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under the applicable laws or regulations.

**THIS DOCUMENT IS SOLELY FOR THE USE OF THE PERSON WHO RECEIVED IT FROM OUR COMPANY OR FROM THE REGISTRAR. THIS DOCUMENT IS NOT TO BE REPRODUCED OR DISTRIBUTED TO ANY OTHER PERSON.**



## SECTION II - SUMMARY OF LETTER OF OFFER

The following is a general summary of the terms of this Issue, and should be read in conjunction with and is qualified by the more detailed information appearing in this Letter of Offer, including the sections titled “Risk Factors”, “The Issue”, “Capital Structure”, “Objects of the Issue”, “Business Overview”, “Industry Overview”, “Outstanding Litigation and Material Developments” and “Terms of the Issue” on pages, 22, 35, 41, 45, 65, 57, 108 and 134 respectively of this Letter of Offer.

### SUMMARY OF INDUSTRY

*Global growth is projected to stabilize at 2.6 percent this year, holding steady for the first time in three years despite flaring geopolitical tensions and high interest rates. It is then expected to edge up to 2.7 percent in 2025-26 amid modest growth in trade and investment. Global inflation is projected to moderate - but at a slower clip than previously assumed, averaging 3.5 percent this year. Given continued inflationary pressures, central banks in both advanced economies and emerging market and developing economies (EMDEs) will likely remain cautious in easing monetary policy. As such, average benchmark policy interest rates over the next few years are expected to remain about double the 2000-19 average.*

*Despite an improvement in near-term growth prospects, the outlook remains subdued by historical standards in advanced economies and EMDEs alike. Global growth over the forecast horizon is expected to be nearly half a percentage point below its 2010-19 average pace. In 2024-25, growth is set to underperform its 2010s average in nearly 60 percent of economies, representing more than 80 percent of global population and world output. EMDE growth is forecast to moderate from 4.2 percent in 2023 to 4 percent in both 2024 and 2025. Prospects remain especially lackluster in many vulnerable economies - over half of economies facing fragile- and conflict-affected situations will still be poorer by the end of this year than on the eve of the pandemic.*

#### India Agrochemical Market

Driven largely by government support, expanding production capacities, a flourishing domestic and export market, and a steady stream of innovative products, the Indian agrochemicals industry is projected to clock a robust compound annual growth rate (CAGR) of nine per cent from FY2025 to FY2028, says a report by Rubix Data Sciences, a leading risk management and monitoring company.

This steady growth will propel the market size of the Indian agrochemical industry to \$14.5 billion by FY28 from the current levels of around \$10.3 billion, the report said, adding that India’s agrochemicals exports registered a strong 14 per cent CAGR from FY2019 to FY2023, reaching \$5.4 billion in FY2023.

This impressive export growth stands in stark contrast to imports, which registered a more moderate 6 per cent CAGR during the same period, thus solidifying India’s position as a net exporter, it said.

The report noted that within the agrochemicals sector, herbicides have emerged as the leading export segment, experiencing the fastest growth at 23 per cent CAGR from FY2019 to FY2023. The share of herbicides in total agrochemical exports increased from 31 per cent to 41 per cent during the same timeframe.

#### Indian Fertiliser Sector

India’s fertilizer industry has transformed, ensuring food security for over half a century. Despite challenges like geopolitical tensions and climate change, innovations and policy support drive sustainable agricultural growth.

Unlike other periods in contemporary Indian history there has been no famine in India during the past half a century. Agricultural production witnessed a steady increase from the 1970’s to the present (2023), which now stands at 329.7 million tons of grain production. In India, several factors contributed to this big achievement, the foremost among them being the use of mineral fertilizers in the farmlands. Globally, India is the second largest producer and consumer of fertilizers only after China.

As of now, the fertilizer manufacturing industry in India is a robust venture, utilization of installed capacities is good and the profitability of the business is also better. The situation was different just five years back when government subsidy was inadequate and that too not available to the manufacturing units in time resulting in heavy financial strains to maintain operations of the unit. Some major players left the scene as they found other investment options more lucrative.

Urea, DAP, NP and NPK complex fertilizers, ammonium sulphate, potash and single super phosphate (SSP) are the major fertilizer products used in Indian agriculture. India has a high dependency on imported fertilizer raw materials, intermediate and products.





For further details, please refer to the chapter titled “**Industries Overview**” at page 57 of this Letter of Offer.

## SUMMARY OF BUSINESS

In the year 1998, Our Promoter was running proprietorship firm, namely Sikko Sprayers & Exports Co. which was engaged in the manufacturing of “Growth Promoters” and its used as supplements in agriculture by farmers. In the blanket of Growth Promoters various products are sold namely Vakil, Diamond, Vasool, Biomono which are in combination of granules and liquid form. In addition, firm was engaged in assembling of different parts of Spray Pump having Inside and cylinder without bearing. The spray pumps are used by farmers in agriculture to spray pesticides.

In the year 2000 our Company was incorporated as Sikko Sprayers Private Limited. Our Company acquired Sikko Sprayers & Exports Co., proprietorship concern of Mr. Pravinbhai M. Kumbhani in the year 2000 and consequent to which entire assets-liabilities including outstanding creditors of the said proprietorship concern were taken over by our company for which there was no formal agreement for acquisition of the said business was entered.

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. To sum up our Company is engaged in manufacturing of Pesticides including organic Pesticides, Fertilizers including organic fertilizer, Spray Pump and Organic Seeds.

The initial object of the Company is to set up facilities for manufacture of all kinds of sprayers for agricultural purposes and all spare parts of such sprayers. Afterwards the main object of the Company has been changed vide Special Resolution passed through Postal Ballot and Remote e-Voting on October 13, 2022. As per latest Object clause of Memorandum of Association of the Company, followings are main objects of the Company;

Company was initially engaged in manufacturing of pesticides, fertilizers, all types of agricultural chemicals, pesticides intermediates, including insecticides, fungicides, herbicides, weedicides and all allied and agricultural products, seeds, seed products and its byproducts thereof. However, management on boarding, has arrived to a decision to enter into manufacturing of pharmaceuticals goods and agricultural commodities.

Our company is manufacturing and supplying a wide range of agrochemicals, pesticides, bio pesticides, organic pesticides, bio larvicides, organic larvicides, bio miticides, organic fertilizers, water soluble fertilizers, chemical fertilizers, and many more products for Agri inputs.

For further details, please refer to the chapter titled “**Business Overview**” at page 65 of this Letter of Offer.

## INTENTION AND EXTENT OF PARTICIPATION BY PROMOTER/PROMOTER GROUP

The Promoters of our Company are Mr. Ghanshyambhai Kumbhani and Mr. Jayantibhai Kumbhani.

Our Promoter and members of the Promoter Group of our Company have, vide their letters dated September 14, 2024 (“Subscription Letters”) indicated that they will not subscribe fully to their portion of right entitlement and that they may renounce their rights entitlements. Further, the promoters have confirmed that do not intend to apply for, and subscribe to, additional Rights Equity Shares over and above their Rights Entitlements (including unsubscribed portion of the Issue, if any).

## OBJECTS OF THE ISSUE

We propose to deploy the Net Proceeds towards the Objects in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

| Particulars  | (₹ In Lakhs)        |                     |                   |
|--|---------------------|---------------------|-------------------|
|  | Amount (₹ in Lakhs) | % of gross proceeds | % of Net proceeds |
| Capital expenditure for acquisition of Land, Building Construction and fabrication and acquisition of Plant & Machineries and Electricals. | 4,100.43            | 83.02%              | 84.04%            |
| To meet General corporate purposes#  | 778.77              | 15.77%              | 15.96%            |
| <b>Total</b>   | <b>4,879.20</b>     | <b>98.79%</b>       | <b>100.00%</b>    |

# The amount to be utilised for general corporate purposes will not exceed 25% of the gross Offer proceeds.





For further details, please see chapter titled “Objects of the Issue” beginning on page 45 of this Letter of Offer.

## SUMMARY OF FINANCIAL INFORMATION

Following are the details as per the Financial Result for the quarter and half year ended on September 30, 2024 and the Financial Information for the Financial Years ended on March 31, 2024, 2023 and 2022.

(₹ In Lakhs)

| Sr. No | Particulars                                   | September 30, 2024 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|--------|---|--------------------|----------------|----------------|----------------|
| 1.     | Authorized Share Capital                      | 2,500.00           | 1,750.00       | 1,750.00       | 1,200.00       |
| 2.     | Paid-up Capital                               | 1,680.00           | 1,680.00       | 1,680.00       | 1,120.00       |
| 3.     | Net Worth attributable to Equity Shareholders | 3,172.52           | 2,787.45       | 2,381.02       | 2,116.97       |
| 4.     | Total Income                                  | 3,128.06           | 6,470.59       | 4,992.51       | 5,124.34       |
| 5.     | Profit after tax                              | 385.07             | 406.44         | 289.25         | 187.70         |
| 6.     | Earnings per Share (basic & diluted) (in ₹)   | 2.29               | 2.42           | 1.72           | 1.12           |
| 7.     | Net Asset Value per Equity Share (in ₹)       | 18.88              | 16.59          | 14.17          | 18.90          |
| 8.     | Total Borrowings                              | 404.78             | 588.99         | 861.43         | 163.66         |

## SUMMARY OF OUTSTANDING LITIGATION

A summary of the pending tax proceedings and other material litigations involving our Company, our Promoters, our Directors and our Group Companies is provided below:

| Nature of Cases                                       | Number of Cases | Amount Involved (₹ in Lakh) |
|---|-----------------|-----------------------------|
| <b>Issuer Company – Sikko Industries Limited</b>      |                 |                             |
| Direct and Indirect Tax                               |                 |                             |
| E-Proceedings   | 1               | 26.76                       |
| Proceedings   | 1               | 260.41                      |
| TDS   | 3               | 0.0038                      |
| Criminal Proceedings*                                 | 5               | 359.96                      |
| Litigation based on Materiality Policy of our Company | -               | -                           |
| <b>Directors other than Promoters</b>                 |                 |                             |
| Direct and Indirect Tax                               |                 |                             |
| E-Proceedings   | -               | -                           |
| Proceedings   | -               | -                           |
| Criminal Proceedings                                  | -               | -                           |
| Litigation based on Materiality Policy of our Company | -               | -                           |
| <b>Promoters</b>                                      |                 |                             |
| Direct and Indirect Tax                               |                 |                             |
| E-Proceedings   | -               | -                           |
| Proceedings   | -               | -                           |
| Criminal Proceedings                                  | -               | -                           |
| Litigation based on Materiality Policy of our Company | -               | -                           |
| <b>Group Companies</b>                                |                 |                             |
| Direct and Indirect Tax                               |                 |                             |
| E-Proceedings   | -               | -                           |
| Proceedings   | -               | -                           |
| Criminal Proceedings                                  | -               | -                           |
| Litigation based on Materiality Policy of our Company | -               | -                           |

\* All Criminal proceedings are initiated by the Company against total 146 various parties / individuals under the Negotiable Instruments Act, 1881 for recovery of dues.

## RISK FACTORS

Please see the chapter titled “Risk Factors” beginning on page 22 of this Letter of Offer.



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#### **SUMMARY OF CONTINGENT LIABILITIES**

For details, see “*Financial Information*” on page 94 of this Letter of Offer.

#### **SUMMARY OF RELATED PARTY TRANSACTIONS**

For details of the related party transactions and as reported in the Financial Statements, see “*Financial Information*” on page 94 of this Letter of Offer.

#### **ISSUE OF EQUITY SHARES MADE IN LAST ONE YEAR FOR CONSIDERATION OTHER THAN CASH.**

Our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Letter of Offer.

#### **SPLIT/ CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR.**

There were no split or consolidation of the equity shares of the Company.



## SECTION III - RISK FACTORS

*An investment in our Equity Shares involves a high degree of risk. You should carefully consider each of the following risk factors and all other information set forth in this Letter of Offer, including in “Our Business”, “Industry Overview”, “Management’s Discussion and Analysis of Financial Position and Results of Operations”, and “Financial Information” before making an investment in our Equity Shares.*

*The risks and uncertainties described below are not the only risks that we currently face. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also adversely affect our business, financial condition, results of operations and cash flows. If any or some combination of the following risks, or other risks that are not currently known or believed to be adverse, actually occur, our business, financial condition and results of operations could suffer, the trading price of, and the value of your investment in, our Equity Shares could decline and you may lose all or part of your investment. In making an investment decision with respect to this Issue, you must rely on your own examination of our Company and the terms of this Issue, including the merits and risks involved. You should consult your tax, financial and legal advisors about the consequences of an investment in our Equity Shares and its impact on you.*

*This Letter of Offer also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from such forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Letter of Offer.*

***Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context otherwise requires, in this section, reference to “we”, “us” “our” refers to our Company.***

### **INTERNAL RISK FACTORS:**

#### **BUSINESS RELATED RISK**

- 1. We require high working capital for our smooth day to day operations of business and any discontinuance or our inability to procure adequate working capital timely and on favorable terms may have an adverse effect on our operations, profitability and growth prospects.***

Our business demands substantial funds towards working capital requirements. In case there are insufficient cash flows to meet our working capital requirement or we are unable to arrange the same from other sources or there are delays in disbursement of arranged funds, or we are unable to procure funds on favorable terms, it may result into our inability to finance our working capital needs on a timely basis which may have an adverse effect on our operations, profitability and growth prospects.

- 2. Our lenders have charge over our movable and immovable properties in respect of finance availed by us.***

We have secured our lenders by creating a charge over our movable and immovable properties in respect of loans / facilities availed by us from banks and financial institutions. The total amounts outstanding and payable by us as long-term borrowing were ₹ 153.81 Lakhs and ₹ 318.21 Lakhs and short-term borrowing were ₹ 435.18 Lakhs and ₹ 86.57 Lakhs based on audited financial statements as on March 31, 2024 and on unaudited financial result as on September 30, 2024 respectively. In the event, we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be forfeited by lenders, which in turn could have significant adverse effect on business, financial condition or results of operations.

- 3. Our Company’s failure to maintain the quality standards of the products could adversely impact our business, results of operations and financial condition.***

Any failure to maintain the quality standards may affect our business. Although we have put in place strict quality control procedures, we cannot assure that our products will always be able to satisfy quality standards. Any negative publicity regarding our Company, or products, including those arising from any deterioration in quality of our products from our vendors, or any other unforeseen events could adversely affect our reputation, our operations and our results from operations. Introduction of new products or for any other reason and failure on our part to meet their expectation could adversely affect our business, result of operations and financial condition. While, we believe that we have always introduced new products to cater to the growing demand of our customers and also endeavour regularly to update our products, our failure to anticipate or to respond adequately to changing market demands and/or consumer requirements could adversely affect our business and financial results.



**4. Our business is a high volume-low margin business.**

Ours is a high-volume low margin business. Our inability to regularly grow our turnover and effectively execute our key business processes could lead to lower profitability and hence adversely affect our operating results, debt service capabilities and financial conditions. Due to the nature of the products, we sell, we may not be able to charge higher margins on our products. Hence, our business model is heavily reliant on our ability to effectively grow our turnover and manage our key processes including but not limited to procurement of raw material/ traded goods, timely sales / order execution and continuous cost control of non-core activities.

**5. The agricultural products business is highly seasonal in our country and such seasonality may adversely affect the demand for our Fertilizers and Pesticides and also our operating results.**

We are engaged in the manufacturing of Fertilizers and Pesticides Products. While fertilizers help in plant growth, pesticides work as a safeguard against pests. We have two major crop seasons in our country namely Rabi & Kharif. The demand for our product is affected by the crop season and therefore the demand for our fertilizer is highly seasonal in nature. Further, majority of the farmers depend on rain for cultivation. Generally, rainfall occurs during Kharif season and hence, the timing and seasonality of rainfall also impacts the business of our Company. Thus, we are subject to seasonal factors, which make our operating results relatively unpredictable.

We recognize revenues only upon the sale of our products. During period of lower sales, we continue to incur, substantial operating expenses, but our revenues remain usually lower. Due to inherent seasonality of our business, results of one reporting period may not be necessarily comparable with preceding or succeeding reporting periods.

Sometimes if there is slight change in timing of rainfall, the sales will get differed from one reporting period to the other reporting period. The sales that were supposed to take place during one financial year may get added to the sales of the next financial year and therefore results of even full financial year may not be necessarily comparable to the other financial year.

**6. Our Company has manufacturing facilities located at At: Ivaya, Sanand Viramgam Highway, Taluka: Sanand, District: Ahmedabad – 382110. Any delay in production at, or shutdown of, or any interruption for a significant period of time, in this facility may in turn adversely affect our business, financial condition and results of operations.**

Our Company has Present manufacturing facility at At: Ivaya, Sanand Viramgam Highway, Taluka: Sanand, District: Ahmedabad – 382110. Our success depends on our ability to successfully manufacture and deliver our products to meet our customer demand. Our manufacturing facility is susceptible to damage or interruption or operating risks, such as human error, power loss, breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, loss of services of our external contractors, terrorist attacks, acts of war, break-ins, earthquakes, other natural disasters and industrial accidents and similar events. Operating risks may result in personal injury and property damage and in the imposition of civil and criminal penalties. If our Company experiences delays in production or shutdowns at any or all of these facilities due to any reason, including disruptions caused by disputes with its workforce or any external factors, our Company's operations will be significantly affected, which in turn would have a material adverse effect on its business, financial condition and results of operations.

**7. We are required to obtain / update various licenses/approvals for setting of manufacturing facilities at "Survey No. 173 paiki Plot No. 173/174, Ajanta Industrial Estate Village. Vasna Iyava, Tal. Sanand, Ahmedabad, Gujarat – 382 110, India. Any delay or non-receipt of these licenses/approvals could affect our results of operation.**

We are required to obtain, update, renew and maintain certain approvals, registrations, permissions and licenses from regulatory authorities, for setting of New Unit of Fertilizers at "Survey No. 173 paiki Plot No. 173/174, Ajanta Industrial Estate Village. Vasna Iyava, Tal. Sanand, Ahmedabad, Gujarat – 382110, India. The details of all such approvals, registrations, permissions and licenses which are required to be obtained / updated are provided in the Chapter titled "Government Approvals" beginning on Page No. 112 of this Letter of Offer under the heading "Approvals/ Licenses / Registration/Consent etc. required for setting of new manufacturing facilities of our Company at Survey No. 173 Paiki Plot No. 173/174, Ajanta Industrial Estate Village. Vasna Iyava, Tal. Sanand, Ahmedabad, Gujarat – 382 110, India". However, the licenses specified in Chapter titled "Government Approvals" beginning on Page No. 112 of this Letter of Offer pertains to non-hazardous products and the same is promoted by government. Therefore, the possibility of Non-receipt of approval or rejection of license are very less and the same will not affect our operations.

These approvals, licenses, registrations and permissions may be subject to numerous conditions. If we fail to obtain, update, renew and maintain some or all of these approvals or licenses, or renewals thereof, in a timely manner or at all, or if we fail to comply with applicable conditions or it is claimed that we have breached any such conditions, our license or permission for carrying on a particular activity may be suspended or cancelled at such new plant and we may not be able to carry on such activity, which could adversely affect our business, results of operations for that particular plant. However, this could not affect our ongoing business activity carried out at existing factory unit.

8. ***We have not made any alternate arrangements for meeting our requirements for the Objects of the issue. Further we have not identified any alternate source of financing the “Objects of the Issue”. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.***

As on date, we have not made any alternate arrangements for meeting our requirements for the objects of the issue. We meet our requirements through our bank finance, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details please refer to the chapter titled “Objects of the Issue” beginning on page no. 45 of this Letter of Offer.

9. ***We have in the past entered into related party transactions and may continue to do so in the future.***

*We have, from time to time, entered into various transactions with related parties, including loans received from and repaid to directors, remuneration paid to directors, commission expenses, sales, purchases.*

*The table below sets forth the total amount of our related party transactions recorded as expenses of the Company in the ordinary course of business for the periods indicated:*

(₹ In Lakhs)

| <i>Transactions with related parties</i>       | <i>As on September 30, 2024</i> | <i>For the financial year ended on March 31, 2024</i> | <i>For the financial year ended on March 31, 2023</i> | <i>For the financial year ended on March 31, 2022</i> |
|--|---------------------------------|---|---|---|
| <i>Director Remuneration</i>                   | 162.00                          | 324.00  | 182.25  | 94.50   |
| <i>Directors’ Loan Repayment</i>               | 0.00                            | 0.00  | 0.00  | 130.00  |
| <i>Rent Payment</i>                            | 5.50                            | 6.77  | 6.15  | 6.81  |
| <i>Purchase of Goods</i>                       | 186.71                          | 466.89  | 126.32  | 160.43  |
| <i>C &amp; F and Marketing Income</i>          | 20.12                           | 20.12   | 20.84   | 22.84   |
| <i>Salary to KMP</i>                           | 6.48                            | 11.79   | 11.66   | 9.68  |
| <i>Sitting Fees to Non-Executive Directors</i> | 0.81                            | 0.90  | 0.90  | 0.90  |
| <i>Advance for purchase of Land</i>            | 25.00                           | 0.00  | 0.00  | 0.00  |

*The table below summarizes the total amount of borrowings of the Company owed to related parties as at the dates indicated:*

(₹ In Lakhs)

| <i>Outstanding Balances</i>                            | <i>As on September 30, 2024</i> | <i>As on March 31, 2024</i> | <i>As on March 31, 2023</i> | <i>As on March 31, 2022</i> |
|--|---------------------------------|-----------------------------|-----------------------------|-----------------------------|
| <i>Remuneration Payable to Directors</i>               | 59.63                           | 42.18                       | 34.04                       | 0.00                        |
| <i>Loan Payable to Directors</i>                       | 54.00                           | 54.00                       | 54.00                       | 54.00                       |
| <i>Salary payable to KMP</i>                           | 0.92                            | 0.76                        | 0.96                        | 0.00                        |
| <i>Rent Payable</i>                                    | 0.83                            | 0.82                        | 0.38                        | 0.00                        |
| <i>Sitting Fees Payable to Non-Executive Directors</i> | 0.00                            | 0.81                        | 0.90                        | 0.00                        |
| <i>Advance for purchase of Land</i>                    | 25.00                           | 0.00                        | 0.00                        | 0.00                        |

*For information on all our related party transactions, see “Financial Information” on page 94 of this Letter of Offer.*



*Although all the related party transactions in for the period ended on September 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 have been carried out on arm's length basis, we cannot assure you that each of the related party transactions will be carried out on an arm's length basis in the future and on more favourable terms as compared to unrelated parties. It is likely that we will continue to enter into related party transactions in the future. Some of these transactions may require significant capital outlay and there can be no assurance that we will be able to make a return on these investments. Although all related-party transactions that we may enter into will be subject to Audit Committee, Board or shareholder approval, as may be required under the Companies Act, 2013 and the SEBI Listing Regulations, we cannot assure you that such transactions, individually or in the aggregate, will perform as expected/ result in the benefit envisaged therein.*

***10. We face competition in our business from domestic competitors. Such competition would have an adverse impact on our business and financial performance.***

The industry, in which we are operating, is highly and increasingly competitive due to presence of many small-time players in unorganized sector. Our results of operations and financial condition are sensitive to, and may be materially adversely affected by, competitive pricing and other factors. Competition may result in pricing pressures, reduced profit margins or lost market share or a failure to grow our market share, any of which could substantially harm our business and results of operations. There can be no assurance that we can effectively compete with our competitors in the future, and any such failure to compete effectively may have a material adverse effect on our business, financial condition and results of operations.

***11. Our industry is labour intensive and our business operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.***

We believe that our industry faces competitive pressures in recruiting and retaining skilled and unskilled labour. Our industry being labour intensive is highly dependent on labour force for carrying out its manufacturing operations. Shortage of skilled/unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. Our Company has taken efforts to maintain a lower attrition among the labourers by facilitating them with various in-house facilities and benefits to our employees. India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labour policies, and we may face the threat of labour unrest, work stoppages and diversion of our management's attention due to union intervention, which may have a material adverse impact on our business, results of operations and financial condition.

***12. Our operations may be adversely affected in case of industrial accidents at any of our production facilities.***

Usage of heavy machinery, handling of materials by labour during production process or otherwise, lifting of materials by humans etc. may result in accidents, which could cause injury to our labour, employees, other persons on the site and could also damage our properties thereby affecting our operations. Though our plants and machinery and personnel are covered under insurance, occurrence of accidents could hamper our production and consequently affect our profitability.

***13. Our business operations involve handling and storage of hazardous materials. Risks arising from the same may result in damages to life and property, as also exposure to litigations:***

Our Company is engaged in manufacturing of fertilizers and Pesticide which require handling hazardous materials including explosive, toxic and combustible materials. We are also required to obtain several licenses and approvals for the storage and handling of such materials, which in turn impose several obligations and restrictions on our Company. If improperly handled or subjected to less than optimal conditions, these materials could harm employees and other persons, cause damage to life and to property and harm the environment. This in turn could subject our Company to significant penalties including closure of our manufacturing units and / or litigation which may have an adverse effect on our business and financial operations. For details of licenses and approvals obtained by our Company for the storage and handling of certain materials, please refer to the chapter titled "Government Approvals" beginning on page no. 112 of this Letter of Offer.





**14. *The under-utilization of our manufacturing facilities may have a material effect on our results of operations and financial condition.***

Our business and results of operations are dependent on our ability to effectively plan our manufacturing processes and on our ability to optimally utilize our manufacturing capacities for the various products we manufacture. Any disruption to our manufacturing process or the operation of our production facilities may result from various factors beyond our control, including, among others, the following:

- Utility supply disturbances, particularly power supply;
- Forced close down or suspension of our manufacturing facilities due to factors such as breakdown or failure of equipment, performance below expected levels of output or efficiency, facility obsolescence or disrepair, labour disputes such as strikes and work stoppages, natural disasters and industrial accidents;
- Severe weather condition; and
- Interruption of our information technology systems that facilitate the management of our manufacturing facilities.

Although our production facilities have not experienced any material disruption in the past, there can be no assurance that there will not be any material disruption to our operations in the future. If we fail to take adequate steps to mitigate the likelihood or potential impact of these events, or to effectively respond to these events if they occur, our business, results of operations and financial condition could be materially affected.

**15. *Our Company is dependent on third party transportation providers for the delivery of our goods and any disruption in their operations or a decrease in the quality of their services could affect our Company's reputation and results of operations.***

Our Company uses third party transportation providers for delivery of our goods. Though our business has not experienced any disruptions due to transportation strikes in the past, any future transportation strikes may have an adverse effect on our business. In addition, goods may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery of products which may also affect our business and results of operation negatively. An increase in the freight costs or unavailability of freight for transportation of our raw materials may have an adverse effect on our business and results of operations.

Further, disruptions of transportation services due to weather-related problems, strikes, lock-outs, inadequacies in the road infrastructure, or other events could impair ability to procure raw materials on time. Any such disruptions could materially and adversely affect our business, financial condition and results of operations.

**16. *Our existing manufacturing operation is geographically located at one place. Hence, we may face the risk of geographical non-diversification of manufacturing facilities.***

Although we exercise centralized control, being a single point manufacturing facility will prove to be disadvantageous at times because of any disruption on account of labour unrest, power failures, natural calamities, or civic unrest. Our operations will have to be stalled which will impact our production, delivery of goods and financial results.

**17. *We are dependent on various kinds of Supplier for the supply of raw materials, services and finished goods.***

Our business is significantly affected by the availability, cost and quality of the raw materials and bought out items. The prices and supply of raw materials and bought out items depend on factors not under our control, including domestic and international general economic conditions, competition, availability of quality suppliers, production levels, transportation costs and import duties.

Although we may enter into back-to-back supplier contracts or provide for price contingencies in our contracts to limit our exposure, if, for any reason, our primary suppliers of raw materials and bought out items should curtail or discontinue their delivery of such materials to us in the quantities we need, provide us with raw materials and bought out items that do not meet our specifications, or at prices that are not competitive or not expected by us, our ability to meet our material requirements for our products could be impaired and our results of operations and business could suffer.





**18. *Our Company does not have any long-term contracts with suppliers, which may adversely affect our results of operations.***

We are, to a major extent, dependent on external suppliers for our raw materials and fuel requirements and we do not have any long-term supply agreements or commitments in relation to the same or for any other raw materials used in our manufacturing process. There can be no assurance that there will not be a significant disruption in the supply of raw materials and fuel from current sources or, in the event of a disruption, that we would be able to locate alternative suppliers of materials of comparable quality on terms acceptable to us, or at all. Identifying a suitable supplier involves a process that requires us to become satisfied with their quality control, responsiveness and service, financial stability and labour and other ethical practices. Consequently, we are also exposed to price fluctuations in raw materials, and these fluctuations may adversely affect our ability to obtain orders and/or to execute them in a timely manner, which would have a material adverse effect on our business, results of operations and financial condition.

In case of non-availability of raw materials on favourable terms, we may have to procure the same at the terms and conditions prevalent at that point. This may result in reducing our revenues by a considerable amount due to shortage of raw material or due to inability to procure the same. Further, unfavourable terms of raw materials may also force us to reduce the scale of our operations resulting in a down-sizing of our overall business. We may have to put on hold any expansion plans and our future growth will be severely stunted. Any delay, interruption or increased cost in the supply arising from a lack of long-term contracts could have an adverse effect on our ability to meet customer demand for our products and result in lower revenue from operations both in the short and long term.

**19. *Our success depends largely upon the services of our Directors, Promoters and other Key Managerial Personnel and our ability to attract and retain them. Demand for Key Managerial Personnel in the industry is intense and our inability to attract and retain Key Managerial Personnel may affect the operations of our Company.***

Our success is substantially dependent on the expertise and services of our Directors, Promoters and our Key Managerial Personnel. They provide expertise which enables us to make well informed decisions in relation to our business and our future prospects. Our future performance will depend upon the continued services of these persons. Demand for Key Managerial Personnel in the industry is intense. We cannot assure you that we will be able to retain any or all, or that our succession planning will help to replace, the key members of our management. The loss of the services of such key members of our management team and the failure of any succession plans to replace such key members could have an adverse effect on our business and the results of our operations.

**20. *Our business depends on the availability of skilled and unskilled and our ability to attract and retain them.***

Our business is substantially dependent on the availability of skilled and unskilled workers. Demand for these workers in our industry is intense and our ability to retain them may affect the operations of our company. We cannot assure you that we will be able to retain any or all. The failure of any succession plans to replace such workers could have an adverse effect on our business and the results of our operations.

**21. *Conflicts of interest may arise out of common business undertaken by our Company, Promoters and our Group Company:***

Our Group Companies, Sikko Trade Link Private Limited, Sikko Products Private Limited are also authorized to carry similar activities as those conducted by our Company. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company, and our Group Companies in circumstances where our respective interests diverge. In cases of conflict, our Promoters may favour other companies in which our Promoters have interests. There can be no assurance that our Promoters or our Group Companies or members of the Promoter Group will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition.

**22. *Insurance coverage obtained by us may not adequately protect us against unforeseen losses.***

We have maintained insurance coverage of our assets and accident policies. We believe that the insurance coverage maintained, would reasonably cover all normal risks associated with the operation of our business, however, there can be no assurance that any claim under the insurance policies maintained by us will be met fully, in part or on time. In the event we suffer loss or damage that is not covered by insurance or exceeds our insurance coverage, our results of operations and cash flow may be adversely affected.



**23. Our Company had negative cash flow in recent fiscals, details of which are given below. Sustained negative cash flow could adversely impact our business, financial condition and results of operations.**

The detailed break up of cash flows is summarized in below mentioned table and our Company has reported negative cash flow in certain financial years / period and which could affect our business and growth:

(₹ in Lakh)

| Particulars                                  | For the Period ended on September 30, 2024 | For the year ended on March 31, 2024 | For the year ended on March 31, 2023 | For the year ended on March 31, 2022 |
|--|--|--------------------------------------|--------------------------------------|--------------------------------------|
| Net cash from (used in) Operating activities | 222.00                                     | 214.68                               | (404.62)                             | 636.40                               |
| Net cash from (used in) Investing activities | (19.68)                                    | 93.79                                | (195.35)                             | (61.08)                              |
| Net cash from (used in) Financing activities | (199.33)                                   | (348.89)                             | 628.33                               | (568.63)                             |

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet its capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flow, it may adversely affect our business and financial operations.

However, For further details please refer to the section titled “Financial Information” and chapter titled “Management’s Discussion and Analysis of Financial Position and Results of Operations” beginning on page no. 94 and page no. 98 respectively, of this Letter of Offer.

**24. We require certain statutory and regulatory approvals, registrations and licenses for our business & proposed premises and our inability to renew or maintain our statutory and regulatory permits and approvals required to operate our business would adversely affect our operations and profitability.**

Our Company requires several statutory and regulatory permits, licenses and approvals to operate the business. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Our Company is required to renew such permits, licenses and approvals. Further, we may require new registrations and approvals for any proposed operations, including any expansion of existing operations. While we believe that we will be able to renew or obtain such registrations and approvals, as and when required, there can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. Further, these permits, licenses and approvals are subject to several conditions, and our Company cannot assure that it shall be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant permits/ licenses/ approvals. Failure to obtain and renew such registrations and approvals within statutory time frame attracts penal provisions. Further, such non-compliance may result in proceedings against our Company and the Directors and such actions may directly and immediately affect our operations and may have a material adverse effect on our revenues, profits and operations. For details please refer to chapter titled “Government Approvals” beginning on page no. 112 of this Letter of Offer.

**25. We are subject to various laws and regulations relating to the handling and disposal of hazardous materials and wastes and bio-medical wastes. If we fail to comply with such laws and regulations, we can be subjected to prosecution, including imprisonment and fines or incur costs that could have a material adverse effect on the success of our business.**

The Environmental Protection Act, 1986, as amended, the Air (Prevention and Control of Pollution) Act, 1981, as amended, the Water (Prevention and Control of Pollution) Act, 1974, as amended and other regulations promulgated by the Ministry of Environment and Forest and various statutory and regulatory authorities and agencies in India regulate our handling of hazardous substances and bio-medical wastes.

We are required to obtain registrations from the relevant State Pollution Control Board to be able to handle and dispose hazardous and bio-medical wastes. We are also required to take a number of precautionary measures and follow prescribed practices in this regard. Our failure to comply with these laws could result in us being prosecuted, including our directors and officers responsible for compliance being subjected to imprisonment and fines. We may also be liable for damage caused to the environment. Any such action could adversely affect our business and financial condition.



**26. Any loss of or breakdown of operations at any of our operational facilities may have a material adverse effect on our business, financial condition and results of operations.**

Our operational facilities are subject to operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, labour disputes, natural disasters, accidents and the need to comply with the directives of relevant government authorities. The occurrence of any of these risks could significantly affect our operating results.

**27. Changes in technology may impact our business by making our products less competitive or obsolete or require us to incur additional capital expenditures.**

Our future success will depend in part on our ability to respond to technological advances and emerging industry standards and practices on a cost-effective and timely basis. Changes in technology may make newer products more competitive than ours or may require us to incur additional capital expenditures to upgrade our technology, innovations, research and development facilities in order to provide newer products. If we are unable to adapt our technology in a timely manner to changing market conditions, client requirements or technological changes, our business, financial performance and the results of operations could be affected.

**28. Our actual results could differ from the estimates and projections used to prepare our financial statements.**

The estimates and projections are based on and reflect our current expectations, assumptions and/ or projections as well as our perception of historical trends and current conditions, as well as other factors that we believe are appropriate and reasonable under the circumstances. There can be no assurance that our expectations, estimates, assumptions and/or projections, including with respect to the future earnings and performance will prove to be correct or that any of our expectations, estimates or projections will be achieved.

**29. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.**

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Additionally, under some of our loan agreements, we may not be permitted to declare any dividends, if there is a default under such loan agreements or unless our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see "Dividend Policy" on page no. 93 of this Letter of Offer.

**30. There are outstanding legal proceedings involving our Company, Promoters and Directors. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.**

We are involved in certain legal proceedings which are pending at different levels of adjudication before various courts, tribunals, enquiry officers, and appellate authorities. We cannot provide assurance that these legal proceedings will be decided in our favour. Any adverse decisions in any of the proceedings may have a significant adverse effect on our business, results of operations, cash flows and financial condition.

A summary of the pending civil and other proceedings involving our Company, Promoters and Directors are provided below:

| Nature of Cases                                  | Number of Cases | Amount Involved (₹ in Lakh) |
|--|-----------------|-----------------------------|
| <b>Issuer Company – Sikko Industries Limited</b> |                 |                             |
| Direct and Indirect Tax                          |                 |                             |
| E-Proceedings                                    | 1               | 26.76                       |
| Proceedings                                      | 1               | 260.41                      |
| TDS  | 3               | 0.0038                      |
| Criminal Proceedings*                            | 5               | 359.96                      |



| Nature of Cases                                       | Number of Cases | Amount Involved (₹ in Lakh) |
|---|-----------------|-----------------------------|
| Litigation based on Materiality Policy of our Company | -               | -                           |
| <b>Directors other than Promoters</b>                 |                 |                             |
| Direct and Indirect Tax                               |                 |                             |
| E-Proceedings   | -               | -                           |
| Proceedings   | -               | -                           |
| Criminal Proceedings                                  | -               | -                           |
| Litigation based on Materiality Policy of our Company | -               | -                           |
| <b>Promoters</b>                                      |                 |                             |
| Direct and Indirect Tax                               |                 |                             |
| E-Proceedings   | -               | -                           |
| Proceedings   | -               | -                           |
| Criminal Proceedings                                  | -               | -                           |
| Litigation based on Materiality Policy of our Company | -               | -                           |
| <b>Group Companies</b>                                |                 |                             |
| Direct and Indirect Tax                               |                 |                             |
| E-Proceedings   | -               | -                           |
| Proceedings   | -               | -                           |
| Criminal Proceedings                                  | -               | -                           |
| Litigation based on Materiality Policy of our Company | -               | -                           |

\* All Criminal proceedings are initiated by the Company against total 146 various parties / individuals under the Negotiable Instruments Act, 1881 for recovery of dues.

For further details of litigation proceedings, please refer the chapter titled “*Outstanding Litigations and Material Developments*” on page 108 of this Letter of Offer.

**31. We are a listed company and are required to comply with rules and regulations imposed by the Stock Exchanges and SEBI with respect to continuous listing and the Companies Act. Any failure to comply with such rules and regulations or any wrong disclosure made to the Stock Exchange or any statutory authority could result in penalties being imposed on us, which may adversely affect our business and operations.**

As a listed company, we are required to comply with certain conditions for continuous listing under the SEBI Listing Regulations and other rules and regulations imposed by SEBI, which require us to make certain periodic disclosures, including disclosures about any material events or occurrences with respect to our Company, disclosure of our financial statements and disclosure of our updated shareholding pattern. There have been instances in the past wherein, our Company has failed to comply with the requirements of the SEBI Listing Regulations in a timely manner, the details of the same have been provided below:

| S. No. | Non-Compliance  | Fine/ penalty levied (in ₹)* | Name of Stock Exchange | Date of payment of fine | Status of Compliance as on date |
|--------|---|------------------------------|------------------------|-------------------------|---------------------------------|
| 1.     | Non-Completion of Bonus Issue within 60 days from September 9, 2022 | 70,800.00                    | NSE                    | November 10, 2022       | Complied with                   |

\* Inclusive of GST

Our Company endeavors to comply with all such obligations/reporting requirements, there may be nondisclosures / delayed / erroneous disclosures and/or any other violations which might have been committed by us, and the same may result into Stock Exchanges and/or SEBI imposing penalties, issuing warnings and show cause notices against us and/or taking actions as provided under the SEBI Act and Rules and Regulations made there under and applicable SEBI Circulars. Any such adverse regulatory action or development could affect our business reputation, divert management attention, and result in a material adverse effect on our business prospects and financial performance and on the trading price of the Equity Shares.

Moreover, though at present, we are in compliance with rules and regulations imposed by the NSE and SEBI with respect to continuous listing, any failure to comply with such rules and regulations could result in penalties being imposed on us, which may adversely affect our business and operations.



**32. As on the date of this Letter of Offer, no investor complaint is outstanding on SCORES.**

As on the date of this Letter of Offer, no investor complaint is outstanding on SCORES. But there is no assurance that in future the Company will be able to resolve each and every investor complaint received on SCORES. For detailed information of the no. of Investor Complaints received and resolved by the Company, kindly refer to page 134 of this letter of offer.

**33. There is no monitoring agency appointed by our Company and the deployment of funds are at the discretion of our Management and our Board of Directors, though it shall be monitored by the Audit Committee.**

As per SEBI (ICDR) Regulations, 2018 appointment of monitoring agency is required only for Issue size above ₹ 10,000 Lacs. Hence, we have not appointed a monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the NSE and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

**34. We may not be successful in implementing our business and growth strategies.**

The success of our business depends substantially on our ability to implement our business and growth strategies effectively. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted customers. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Further, our growth strategies could place significant demand on our management team and other resources and would require us to continuously develop and improve our operational, financial and other controls, none of which can be assured. Failure to implement our business and growth strategies would have a material adverse effect on our business and results of operations.

**35. Delay in raising funds from the Right issue could adversely impact the implementation schedule.**

The proposed expansion, as detailed in the section titled "Objects of the Issue" is to be funded from the proceeds of this Issue. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We therefore, cannot assure that we would be able to execute the expansion process within the given time frame, or within the costs as originally estimated by us. Any time overrun or cost overrun may adversely affect our growth plans and profitability.

**36. The Objects of the Issue for which funds are being raised, are based on our management estimates and any bank or financial institution or any independent agency has not appraised the same. The deployment of funds in the project is entirely at our discretion, based on the parameters as mentioned in the chapter titled "Objects of the Issue."**

The fund requirement and deployment, as mentioned in the "Objects of the Issue" on page 45 of this Letter of Offer is based on the estimates of our management and has not been appraised by any bank or financial institution or any other independent agency. These fund requirements are based on our current business plan. We cannot assure that the current business plan will be implemented in its entirety or at all. In view of the highly competitive and dynamic nature of our business, we may have to revise our business plan from time to time and consequently these fund requirements. Our Board of Directors along with the Audit Committee will monitor the utilisation of Issue proceeds and shall have the flexibility in applying the proceeds of this Issue. However, the management of our Company shall not have the power to alter the objects of this Issue except with the approval of the Shareholders of the Company given by way of a special resolution in a general meeting, in the manner specified in Section 27 of the Companies Act, 2013. Additionally, the dissenting shareholders being those shareholders who have not agreed to the proposal to vary the objects of this Issue, our Promoters shall provide them with an opportunity to exit at such price, and in such manner and conditions as may be specified by the SEBI, in respect to the same. We hereby confirm and undertake that the deployment of funds will be done in compliance with all applicable laws.

**37. Our future fund requirements, in the form of further issue of capital or securities may be prejudicial to the interest of the Shareholders depending upon the terms on which they are eventually raised.**

We may require additional capital from time to time depending on our business needs. Any further issue of Equity Shares or convertible securities would dilute the shareholding of the existing Shareholders and such issuance may be done on terms and conditions, which may not be favourable to the then existing Shareholders. If such funds are raised





in the form of loans or debt or preference shares, then it may substantially increase our fixed interest/dividend burden and decrease our cash flows, thus adversely affecting our business, results of operations and financial condition.

## **ISSUE RELATED RISK**

### ***38. Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of Investor's shareholding.***

The Rights Entitlements that are not exercised prior to the end of the Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted pursuant to increase in paid up share capital. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Rights Issue. Renouncees may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the Demat Account of the Renouncees prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renouncee will not be able to apply in this Rights Issue with respect to such Rights Entitlements.

### ***39. You may not receive the Equity Shares that you subscribe in the Issue until fifteen days after the date on which this Issue closes, which will subject you to market risk.***

The Equity Shares that you subscribe in the Issue may not be credited to your demat account with the depository participants until approximately 15 days from the Issue Closing Date. You can start trading such Equity Shares only after receipt of the listing and trading approval in respect thereof. There can be no assurance that the Equity Shares allocated to you will be credited to your demat account, or that trading in the Equity Shares will commence within the specified time period, subjecting you to market risk for such period.

### ***40. There is no guarantee that our Equity Shares will be listed in a timely manner or at all which may adversely affect the trading price of our Equity Shares.***

In accordance with Indian law and practice, final approval for listing and trading of the Equity Shares will not be granted by the Stock Exchanges until after those Equity Shares have been issued and allotted. Approval will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on Stock Exchanges. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares. Further, historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future which may adversely impact the ability of our shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares at that point of time.

### ***41. The Issue Price of our Right Equity Shares may not be indicative of the market price of our Equity Shares after the Issue.***

The market price of the Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. There can be no assurance that the Investors will be able to sell their Equity Shares at or above the Issue Price. The factors that could affect our share price are:

- (a) quarterly variations in the rate of growth of our financial indicators such as earnings per share;
- (b) changes in revenue or earnings estimates or publication of research reports by analysts;
- (c) speculation in the press or investment community;
- (d) general market conditions; and
- (e) domestic and international economic, legal and regulatory factors unrelated to our performance.

## **EXTERNAL RISK FACTORS:**

### ***42. The COVID-19 pandemic, or any future pandemic or widespread public health emergency, could materially and adversely impact our business, financial condition, cash flows and results of operations.***

Since first being reported in December 2019, the outbreak of COVID-19 has spread globally. The World Health Organization declared the outbreak of COVID-19 to be a public health emergency of international concern on January 30, 2020, and a global pandemic on March 11, 2020.

The COVID-19 pandemic has had, and any future pandemic or widespread public health emergency could have, repercussions across regional and global economies and financial markets. The outbreak of COVID-19 in many countries, including India has significantly and adversely impacted economic activity and has contributed to significant volatility and negative pressure in financial markets, and it is possible that the outbreak of COVID-19 will cause a prolonged global economic crisis, recession or depression, despite monetary and fiscal interventions by governments and central banks globally.

The global impact of the outbreak has been rapidly evolving. As cases of COVID-19 have continued to be identified in additional countries, many jurisdictions, including the governments of India, have reacted by instituting restrictive measures including invoking lock downs and quarantines, requiring the closure of non-essential businesses and placing restrictions on the types of businesses that may continue to operate, mandating restrictions on travel, implementing “shelter-in-place” rules and “stay-at-home” orders, and enforcing remote working regulations.

There can be no assurance that there will not be any material impact on our operations if the outbreak of COVID-19 is not effectively controlled. Further, there can be no assurance that further restrictions will not be introduced. Further, we may be required to quarantine employees that are suspected of being infected of COVID-19, as well as others that have come into contact with those employees or shut down our manufacturing facilities as a health measure, which could have an adverse effect on our business operations or result in a delay in the production and supply of products to our customers in a timely manner. If any of our suppliers are affected by COVID-19 to the extent our supply chain is disrupted, this may affect our ability to meet the demand of our customers.

The full extent to which the COVID-19 pandemic, or any future pandemic or widespread public health emergency impacts our business, operations and financial results will depend on numerous evolving factors that we may not be able to accurately predict, including the scope, severity, and duration of the pandemic; actions taken by governments, business and individuals in response to the pandemic; the effect on customer demand for and ability to pay for our products; the disruptions or restrictions on our employees’ and suppliers’ ability to work and travel; volatility in foreign exchange rates; any extended period of remote work arrangements; and strain on our or our customers’ business continuity plans, and resultant operational risk.

The COVID-19 pandemic, or any future pandemic or widespread public health emergency could therefore materially and adversely impact our business, financial condition, cash flows and results of operations.

**43. *Changes in government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.***

Our business and industry is regulated by different laws, rules and regulations framed by the Central and State Government. These regulations can be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may incur increased costs or be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

**44. *Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.***

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

**45. *Conditions in the Indian securities market may affect the price or liquidity of our Equity Shares.***

The Indian securities markets are smaller than securities markets in more developed economies and the regulation and monitoring of Indian securities markets and the activities of investors, brokers and other participants differ, in some cases significantly, from those in the more developed economies. Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities. Further, the Indian stock exchanges have experienced volatility in the recent times. The Indian stock exchanges have also experienced problems that have affected the market price and liquidity of the securities of Indian companies, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time





restricted securities from trading and limited price movements. A closure of, or trading stoppage on the Emerge Platform of National Stock Exchange of India Limited could adversely affect the trading price of the Equity Shares.

**46. *Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.***

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices.

**47. *Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.***

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

**48. *The extent and reliability of Indian infrastructure could adversely affect our Company's results of operations and financial condition.***

India's physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy; disrupt the transportation of goods and supplies, and costs to doing business in India. These problems could interrupt our Company's business operations, which could have an adverse effect on its results of operations and financial condition.

**49. *Any downgrading of India's sovereign rating by an independent agency may harm our ability to raise financing.***

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

**50. *Natural calamities could have a negative impact on the Indian economy and cause our Company's business to suffer.***

India has experienced natural calamities such as earthquakes, tsunamis, floods etc. In recent years, the extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

**51. *Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.***

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks, other incidents such as those in US, Indonesia, Madrid and London, and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade the global equity markets as well generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.



## SECTION IV – INTRODUCTION

### THE ISSUE

This Issue has been authorized through a resolution passed by our Board at its meeting held on May 30, 2024 pursuant to Section 62(1)(a) of the Companies Act. Further, our Board has, vide its resolution dated Saturday, November 30, 2024, decided the ratio, issue price, issue size etc., which are detailed below.

The following is a summary of this Issue and should be read in conjunction with and is qualified entirely by the information detailed in the chapter titled “*Terms of the Issue*” on page 134 of this Letter of Offer.

| Particulars  | Details of Equity Shares   |
|--|--|
| <b>Equity Shares proposed to be issued</b>   | Up to 5040000 Equity Shares  |
| <b>Rights Entitlement</b>  | 3 Equity Share for every 10 fully paid-up Equity Share held on the Record Date   |
| <b>Fractional Entitlement</b>  | <p>The Rights Equity Shares are being offered on a rights basis to existing Eligible Public Equity Shareholders in the ratio of 3 Rights Equity Shares for every 10 fully paid-up Equity Shares held as on the Record Date. As per ASBA Circular, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Equity Shareholders is less than 10 Equity Shares or is not in the multiple of 10 Equity Shares, the fractional entitlements of such Eligible Equity Shareholders shall be ignored by rounding down of their Rights Entitlements.</p> <p>However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Equity Share if they apply for additional Rights Equity Shares over and above their Rights Entitlements, if any, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.</p> |
| <b>Record date</b>   | Friday, December 06, 2024  |
| <b>Face Value per Equity Shares</b>  | ₹ 10.00 each   |
| <b>Issue Price per Rights Equity Shares</b>  | ₹ 98.00 per Rights Equity Shares   |
| <b>Issue Size</b>  | Up to 5040000 Equity Shares of face value of ₹ 10.00 each for cash at a price of ₹ 98.00 (Including a premium of ₹ 88.00) per Rights Equity Share not exceeding an amount of ₹ 4,939.20 Lakhs.   |
| <b>Voting Rights and Dividend</b>  | The Equity Shares issued pursuant to this Issue shall rank pari passu in all respects with the Equity Shares of our Company.   |
| <b>Equity Shares issued, subscribed and paid up prior to the Issue</b>   | 16800000 Equity Shares   |
| <b>Equity Shares subscribed and paid-up after the Issue (assuming full subscription for and allotment of the Rights Entitlement)</b> | 21840000 Equity Shares   |
| <b>Equity Shares outstanding after the Issue (assuming full subscription for and Allotment of the Rights Entitlement)</b>            | 21840000 Equity Shares   |
| <b>Scrip Details</b>   | <b>ISIN:</b> INE112X01017<br><b>NSE:</b> SIKKO<br><b>ISIN for Rights Entitlement:</b> INE112X20017   |
| <b>Use of Issue Proceeds</b>   | For details, please refer to the chapter titled “ <i>Objects of the Issue</i> ” on page 45 of this Letter of Offer.  |
| <b>Terms of the Issue</b>  | For details, please refer to the chapter titled “ <i>Terms of the Issue</i> ” on page 134 of this Letter of Offer.   |
| <b>Terms of Payment</b>  | The full amount of the Issue Price is payable on Application   |



## Issue Schedule

The subscription will open upon the commencement of the banking hours and will close upon the close of banking hours on the dates mentioned below:

| Event   | Indicative Date            |
|---|----------------------------|
| Issue Opening Date                              | Monday, December 23, 2024  |
| Last Date for On Market Renunciation of Rights* | Thursday, January 02, 2025 |
| Issue Closing Date**                            | Tuesday, January 07, 2025  |

\* Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) on or prior to the Issue Closing Date.

\*\* Our Board or a Rights Issue Committee thereof will have the right to extend the Issue period as it may determine from time to time but not exceeding 30 (thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.



## GENERAL INFORMATION

Our Company was originally incorporated as “Sikko Sprayers Private Limited” on February 08, 2000 under the provisions of Companies Act, 1956 vide certificate of Incorporation issued by Deputy Registrar of Companies, Gujarat, Dadra and Nagar Haveli at Ahmedabad. Consequent up on the conversion of our Company into public limited company, the name of our Company was changed to “Sikko Sprayers Limited” vide fresh certificate of incorporation dated March 16, 2010 issued by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Subsequently the name of our company was changed to “Sikko Industries Limited” and Fresh certificate of Incorporation pursuant to change of name was issued by Assistant Registrar of Companies, Gujarat and Dadra Nagar Haveli on March 17, 2010. The Corporate Identification Number of our Company is L51909GJ2000PLC037329.

### REGISTERED OFFICE OF OUR COMPANY

#### SIKKO INDUSTRIES LIMITED

508, Iscon Eligance, Nr. Jain Temple Nr. Prahladnagar Pick up Stand, Vejalpur, Ahmedabad, Gujarat, India, 380051

Tel: +91 79 6616 8950 / 51

Email: [compliance@sikkoindia.com](mailto:compliance@sikkoindia.com); Website: [www.sikkoindia.com](http://www.sikkoindia.com)

Corporate Identification Number: L51909GJ2000PLC037329

Company Secretary and Compliance Officer: Mr. Dhruvitkumar Mandliya

### REGISTRAR OF COMPANIES

#### REGISTRAR OF COMPANIES, AHMEDABAD

ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad – 380 013, Gujarat.

Telephone Number- 079-27438531

Email Id- [roc.ahmedabad@mca.gov.in](mailto:roc.ahmedabad@mca.gov.in)

### DETAILS OF CHANGE IN REGISTERED OFFICE

The Registered Office of our company was originally situated at 17, Karnavati Estate, Nr. Bhagyodaya Hotel, Sanand Road, Sarkhej, Ahmedabad – 382 210. Thereafter, the registered office of our company was changed to the following address:

| Date of Change    | New Address  |
|-------------------|--|
| On Incorporation  | 17, Karnavati Estate, Nr. Bhagyodaya Hotel, Sanand Road, Sarkhej, Ahmedabad – 382 210.             |
| November 20, 2001 | 312, Ashram Avenue, B/h Kocharab Ashram, Palidi Char Rasta, Ellisbridge, Ahmedabad – 380 006.      |
| November 1, 2005  | 310-311, Circle-P Vejalpur, S G Highway, Ahmedabad – 380 051.                                      |
| December 1, 2011  | 508, Iscon Elegance, Nr. Jain Temple Nr. Prahladnagar Pick up Stand, Vejalpur, Ahmedabad – 380 051 |

### BOARD OF DIRECTORS OF OUR COMPANY

Set forth below are the details of our Board of Directors as on the date of this Letter of Offer:

| NAME                               | AGE      | DIN      | DESINGAITON                       | ADDRESS   |
|------------------------------------|----------|----------|-----------------------------------|---|
| Mr. Ghanshyam Mohanbhai Kumbhani   | 60 years | 00587855 | Chairperson & Whole-time director | F 67/47, Sterling City, Nr Prakruti Bunglow, Bopal, Daskroi, Ahmedabad, Gujarat - 380 058, India      |
| Mr. Jayantibhai Mohanbhai Kumbhani | 58 years | 00587807 | Managing Director                 | 8, Pooja Bungalows, Opp. Govt, Tubewell, Bopal, Ahmedabad, Gujarat - 380058, India                    |
| Mrs. Alpaben Jayantibhai Kumbhani  | 50 Years | 00587848 | Executive Director                | 8, Pooja Bunglows, Opp. Govt Tubewell, B/H Vanza Hospital, Bopal, Ahmedabad, Gujarat – 380 058, India |
| Mrs. Mamtaben Hiteshbhai Thumbar   | 43 years | 07732851 | Independent Director              | C-14, Parikrama Flat, Bopal, Ahmedabad, Gujarat – 380 058, India                                      |
| Mr. Hasmukh Veljibhai Vavaiya      | 51 years | 07807509 | Independent Director              | 16, Puja Appartment, Nadan Park, Bopal, Ahmedabad, Gujarat - 380 058, India                           |



| NAME                                       | AGE      | DIN      | DESINGAITON             | ADDRESS  |
|--|----------|----------|-------------------------|--|
| Mr. Ashvinkumar<br>Ramnikbhai<br>Trapasiya | 29 years | 10198672 | Independent<br>Director | Block-E-501, Ishvar Icon, Nikol Road Opp<br>Sunrise Park, Nr. Jivan Twin Bungalows,<br>Jivanvadi, Ahmedabad, Gujarat – 382 350,<br>India |

For detailed profile of our directors, please refer to the chapter titled “Our Management” on page 81 of this Letter of Offer.

#### COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Dhruvitkumar Mandliya, Company Secretary and Compliance Officer of our Company. Her contact details are set forth hereunder.

#### SIKKO INDUSTRIES LIMITED

508, Iscon Eligance, Nr. Jain Temple Nr. Prahladnagar Pick up Stand, Vejalpur, Ahmedabad, Gujarat, India, 380051

Tel: +91 79 6616 8950 / 51

Email: [compliance@sikkoindia.com](mailto:compliance@sikkoindia.com)

#### REGISTRAR TO THE ISSUE

#### PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED

Address: Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (East), Mumbai – 400011, Maharashtra, India;

Contact Number: 022 4961 4132 / 3522 0056;

Website: [www.purvashare.com](http://www.purvashare.com);

Investor Grievances E-Mail Address: [newissue@purvashare.com](mailto:newissue@purvashare.com);

E-mail Address: [Newissue@purvashare.com](mailto:Newissue@purvashare.com)

Contact Person: Ms. Deepali Dhuri;

SEBI Registration Number: INR000001112;

Validity of Registration: Permanent.

#### ADVISOR TO THE ISSUE

#### ALAP & CO. LLP

Address: 416, 4th Floor, Shreenathji Staff Co. Op. Soc. Ltd, Pushpam Complex, Opp. Seema Hall, 100 feet Ring Road, Satellite Jodhpur Char Rasta, Ahmedabad, Ahmadabad City, Gujarat, India, 380015

Tel: +91 79 3578 9144;

E-mail ID: [csanandlavingia@gmail.com](mailto:csanandlavingia@gmail.com)

Contact Person: Mr. Anand Lavingia

#### STATUTORY AND PEER REVIEW AUDITOR OF OUR COMPANY

#### M/s. D G M S & CO.,

Address: 217/218/219, Manek Centre, P.N. Marg, Jamnagar – 361008.

Peer Review Number: 014466

Firm Registration Number: 0112187W

Contact Person: CA Shashank P. Doshi

Membership Number: 108456

Contact Number: 0288-2661942

E-mail ID: [dgmsco.jam@gmail.com](mailto:dgmsco.jam@gmail.com)

#### BANKERS TO THE ISSUE/ REFUND BANK

#### ICICI Bank Limited

Address: Capital Market Division, 5<sup>th</sup> Floor, HT Parekh Marg, Churchgate, Mumbai – 400 020

Telephone Number: 022 – 6805 2182

Email: [ipocmg@icicibank.com](mailto:ipocmg@icicibank.com)

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

Contact Person: Mr. Vauran Badai

SEBI Registration Number: INBI00000004



### **Self-Certified Syndicate Banks**

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. On Allotment, the amount will be unblocked and the account will be debited only to the extent required to pay for the Rights Equity Shares Allotted.

### **Inter-se Allocation of Responsibilities**

The Company is not required to appoint any Lead Manager. Hence a statement of inter se allocation of responsibilities is not required. However, all the responsibilities related to this issue is of the Company.

### **Investor grievances**

Investors may contact the Company Secretary and Compliance Officer for any pre-Issue/ post-Issue related matters such as non-receipt of Letters of Allotment/ share certificates/ demat credit/ Refund Orders, etc.

Investors are advised to contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre-Issue or post-Issue related problems such as non-receipt of Abridged Letter of Offer/ Application Form and Rights Entitlement Letter/ Letter of Allotment, Split Application Forms, Share Certificate(s) or Refund Orders, etc. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs, giving full details such as name, address of the applicant, ASBA Account number and the Designated Branch of the SCSBs, number of Equity Shares applied for, amount blocked, where the Application Form and Rights Entitlement Letter or the plain paper application, in case of Eligible Equity Shareholder, was submitted by the ASBA Investors through ASBA process.

### **Credit Rating**

As this is an Issue of Equity Shares, credit rating is not required.

### **Debenture Trustees**

As the Issue is of Equity Shares, the appointment of Debenture trustees is not required.

### **Monitoring Agency**

As the net proceeds of the Issue will be less than ₹ 10,000 lakhs, under the SEBI ICDR Regulations, it is not required that a monitoring agency be appointed by our Company.

### **Filing**

The size of this Issue falls below this threshold, the Letter of Offer has been filed with the Stock Exchanges and not with SEBI. However, this Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with the Stock Exchanges.

### **Underwriting Agreement**

This Issue is not underwritten and our Company has not entered into any underwriting arrangement.

### **Changes in Auditors during the last three years**

There has been no change in the statutory auditors of our Company during the three years immediately preceding the date of this Letter of Offer.

### **Minimum Subscription**

In accordance with Regulation 86 of the SEBI ICDR Regulations, for this Issue the minimum subscription which is required to be achieved is of at least 90% of the Issue. Our Company does not fall under the exemption to Regulation 86(1) which has been inserted by the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020.





In accordance with Regulation 86 of the SEBI ICDR Regulations, if our Company does not receive the minimum subscription of 90% of the Issue Size, our Company shall refund the entire subscription amount received within 4 (four) days from the Issue Closing Date in accordance with SEBI circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021. If there is any delay in the refund of the subscription amount beyond such period as prescribed by applicable laws, our Company and Directors who are “officers in defaults” shall pay interest for the delayed period, at such rates as prescribed under the applicable laws.

## EXPERTS

Except for the reports of the Auditor of our Company on the audited Financial Information and Statement of Tax Benefits, included in the Letter of Offer, our Company has not obtained any expert opinions.

## ISSUE SCHEDULE:

| Event  | Indicative Date             |
|--|-----------------------------|
| Issue Opening Date   | Monday, December 23, 2024   |
| Last Date for On Market Renunciation of Rights*                                    | Thursday, January 02, 2025  |
| Issue Closing Date**   | Tuesday, January 07, 2025   |
| Finalizing the basis of allotment with the Designated Stock Exchange (on or about) | Thursday, January 16, 2025  |
| Date of Allotment (on or about)  | Friday, January 17, 2025    |
| Date of credit (on or about)   | Tuesday, January 21, 2025   |
| Date of listing (on or about)  | Wednesday, January 22, 2025 |

\* Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) on or prior to the Issue Closing Date.

\*\* Our Board or a Rights Issue Committee thereof will have the right to extend the Issue period as it may determine from time to time but not exceeding 30 (thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar at least two Working Days prior to the Issue Closing Date, i.e., Friday, January 03, 2025 to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, i.e., Monday, January 06, 2025.

Investors are advised to ensure that the Application Forms are submitted on or before the Issue Closing Date. Our Company or the Registrar will not be liable for any loss on account of non-submission of Application Forms on or before the Issue Closing Date. For details on submitting Application Forms, see “Terms of the Issue - Process of making an Application in the Issue” beginning on page 134 of this Letter of Offer.

The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar at [www.purvashare.com](http://www.purvashare.com) after keying in their respective details along with other security control measures implemented thereat. For further details, see “Terms of the Issue - Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders” beginning on page 134 of this Letter of Offer.

Please note that if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under Issue.





## CAPITAL STRUCTURE

Share capital of our Company, as on the date of filing of this Letter of Offer with NSE and after giving effect to the Issue is set forth below: -

| Particulars |  | Aggregate Value at Face Value (₹ in Lakh) | Aggregate Value at Issue Price (₹ in Lakh) |
|-------------|--|---|--|
| <b>A</b>    | <b>Present Authorized Share Capital</b>  |   |  |
|             | 25000000 Equity Shares of face value of ₹ 10.00 each   | 2,500.00                                  | NA   |
| <b>B</b>    | <b>Present Issue, Subscribed and Paid-up Capital</b>   |   |  |
|             | 16800000 Equity Shares of face value of ₹ 10.00 each   | 1,680.00                                  | NA   |
| <b>C</b>    | <b>Present Issue in terms of this Letter of Offer</b>  |   |  |
|             | Up to 5040000 Right Equity Shares of Face Value of ₹ 10.00 each for cash at a price of ₹ 98.00 per Equity Share* | 504.00                                    | 4,939.20                                   |
| <b>D</b>    | <b>Issued, Subscribed and Paid-Up Equity Share Capital after this Issue**</b>                                    |   |  |
|             | Up to 21840000 Equity Shares of Face Value of ₹ 10.00 each   | 2,184.00                                  | NA   |
|             | <b>Securities Premium Account</b>  |   | <b>(₹ in Lakh)</b>                         |
|             | Before the Issue   |   | Nil  |
|             | After the Issue  |   | 4,435.20                                   |

\* Assuming full subscription for and allotment of the Rights Entitlement.

The present Issue has been authorized by the Board of Directors pursuant to a resolution passed at its meeting held on May 30, 2024 under Section 62(1)(c) of the Companies Act 2013. Further, our Board has, vide its resolution dated Saturday, November 30, 2024, decided the ratio, issue price, issue size etc.

For further details, please refer to the Chapter titled "The Issue" on page 35 of this Letter of Offer. Our Company has no outstanding convertible instruments as on the date of this Letter of Offer.

### NOTES TO CAPITAL STRUCTURE:

- Our Company does not have any employee stock option scheme or employee stock purchase scheme.
- Our Company does not have any outstanding warrants, options, convertible loans, debentures or any other securities convertible at a later date into Equity Shares, as on the date of this Letter of Offer, which would entitle the holders to acquire further Equity Shares.
- Shareholding of Promoter and Promoter Group:**

The details of specified securities held by the Promoter and Promoter Group including the details of lock-in, pledge and encumbrance on such securities as on the date of this Letter of Offer are set forth hereunder:

| Sr. No. | Name of the Promoter and Promoter Group | Category       | No. of Equity Shares held | % of total share capital | Details of Equity Shares pledged/encumbered |                          | Details of Equity Shares locked-in |                          |
|---------|---|----------------|---------------------------|--------------------------|---|--------------------------|------------------------------------|--------------------------|
|         |   |                |                           |                          | No. of Equity Shares                        | % of total share capital | No. of Equity Shares               | % of total share capital |
| 1.      | Jayantibhai Mohanbhai Kumbhani          | Promoter       | 5573346                   | 33.17                    | -   | -                        | -                                  | -                        |
| 2.      | Ghanshyam Mohanbhai Kumbhani            | Promoter       | 1912220                   | 11.38                    | -   | -                        | -                                  | -                        |
| 3.      | Alpaben Jayantibhai Kumbhani            | Promoter Group | 1677960                   | 9.99                     | -   | -                        | -                                  | -                        |
| 4.      | Nandaben Ghanshyam Kumbhani             | Promoter Group | 1020000                   | 6.07                     | -   | -                        | -                                  | -                        |



| Sr. No. | Name of the Promoter and Promoter Group  | Category       | No. of Equity Shares held | % of total share capital | Details of Equity Shares pledged/encumbered |                          | Details of Equity Shares locked-in |                          |
|---------|--|----------------|---------------------------|--------------------------|---|--------------------------|------------------------------------|--------------------------|
|         |  |                |                           |                          | No. of Equity Shares                        | % of total share capital | No. of Equity Shares               | % of total share capital |
| 5.      | Pravinbhai Mohanbhai Kumbhani  | Promoter Group | 982000                    | 5.85                     | -   | -                        | -                                  | -                        |
| 6.      | Rudiben M Kumbhani   | Promoter Group | 516024                    | 3.07                     | -   | -                        | -                                  | -                        |
| 7.      | Bhavnaben Pravinbhai Kumbhani  | Promoter Group | 318450                    | 1.90                     | -   | -                        | -                                  | -                        |
| 8.      | Rasilaben Rasikbhai Savalia  | Promoter Group | 1500                      | 0.01                     | -   | -                        | -                                  | -                        |
| 9.      | Kush Kumbhani  | Promoter Group | 0                         | 0.00                     | -   | -                        | -                                  | -                        |
| 10.     | Jinal Jaimin Gondalia  | Promoter Group | 0                         | 0.00                     | -   | -                        | -                                  | -                        |
| 11.     | Dhanjibhai Ramjibhai Gondaliya   | Promoter Group | 0                         | 0.00                     | -   | -                        | -                                  | -                        |
| 12.     | Rama Dhanjibhai Gondaliya  | Promoter Group | 0                         | 0.00                     | -   | -                        | -                                  | -                        |
| 13.     | Satish Dhanjibhai Gondaliya  | Promoter Group | 0                         | 0.00                     | -   | -                        | -                                  | -                        |
| 14.     | Chetankumar Dhanjibhai Gondaliya   | Promoter Group | 0                         | 0.00                     | -   | -                        | -                                  | -                        |
| 15.     | Parulben Dineshbhai Vaghasiya  | Promoter Group | 0                         | 0.00                     | -   | -                        | -                                  | -                        |
| 16.     | Sangitaben Lalitkumar Vaghasiya  | Promoter Group | 0                         | 0.00                     | -   | -                        | -                                  | -                        |
| 17.     | Karan Jayantibhai Kumbhani   | Promoter Group | 0                         | 0.00                     | -   | -                        | -                                  | -                        |
| 18.     | Gargi Jayantibhai Kumbhani   | Promoter Group | 0                         | 0.00                     | -   | -                        | -                                  | -                        |
| 19.     | Ranchhodhbhai Boghabhai Chovatiya  | Promoter Group | 0                         | 0.00                     | -   | -                        | -                                  | -                        |
| 20.     | Ramaben Ranchodhbhai Chovatiya   | Promoter Group | 0                         | 0.00                     | -   | -                        | -                                  | -                        |
| 21.     | Anjuben Sureshbhai Usdadiya  | Promoter Group | 0                         | 0.00                     | -   | -                        | -                                  | -                        |
| 22.     | Vibhaben Mukeshbhai Sardhara   | Promoter Group | 0                         | 0.00                     | -   | -                        | -                                  | -                        |
| 23.     | Toralben Chiragbhai Vaishnav   | Promoter Group | 0                         | 0.00                     | -   | -                        | -                                  | -                        |
| 24.     | Shilpa Chetanbhai Thumar   | Promoter Group | 2800                      | 0.02                     | -   | -                        | -                                  | -                        |
| 25.     | Sikko Trade Link Private Limited   | Promoter Group | 0                         | 0.00                     | -   | -                        | -                                  | -                        |
| 26.     | Sikko Products Private Limited   | Promoter Group | 0                         | 0.00                     | -   | -                        | -                                  | -                        |
| 27.     | Siganjka Industries Private Limited (Formerly Known as Kimaya Extractions Private Limited) | Promoter Group | 0                         | 0.00                     | -   | -                        | -                                  | -                        |

None of the Equity Shares held by our Promoter and Promoter Group are pledged with any bank or institution, locked-in or otherwise encumbered.



4. Equity Shares have been acquired by the Promoter and members of the Promoter Group in the year immediately preceding the date of this Letter of Offer which are as follows.

| Sr. No. | Name of the Promoter & Promoter Group | Category       | Transaction Period | No. of Equity Shares |
|---------|---------------------------------------|----------------|--------------------|----------------------|
| 1.      | Ghanshyam Mohanbhai Kumbhani          | Promoter       | 13-06-2023         | 8,30,000             |
| 2.      | Jayantibhai Mohanbhai Kumbhani        | Promoter       | 31-05-2023         | 9,92,220             |
| 3.      | Shilpa Chetanbhai Thumar              | Promoter Group | 25-01-2024         | 650                  |
| 4.      | Shilpa Chetanbhai Thumar              | Promoter Group | 13-02-2024         | 831                  |
| 5.      | Shilpa Chetanbhai Thumar              | Promoter Group | 14-02-2024         | 419                  |
| 6.      | Shilpa Chetanbhai Thumar              | Promoter Group | 15-02-2024         | 500                  |
| 7.      | Shilpa Chetanbhai Thumar              | Promoter Group | 16-02-2024         | 105                  |
| 8.      | Shilpa Chetanbhai Thumar              | Promoter Group | 19-02-2024         | 1245                 |
| 9.      | Shilpa Chetanbhai Thumar              | Promoter Group | 07-03-2024         | 50                   |

5. Intention and extent of participation in the Issue by the Promoter and Promoter Group:

Our Promoter and members of the Promoter Group of our Company have, vide their letters dated September 14, 2024 (“Subscription Letters”) indicated that they will not subscribe fully to their portion of right entitlement and that they may renounce their rights entitlements either in part or full. Further, the Promoter and members of the Promoter Group have confirmed that they do not intend to apply for, and subscribe to, additional Rights Equity Shares over and above their Rights Entitlements (including unsubscribed portion of the Issue, if any).

The Company shall maintain minimum public shareholding requirements as stipulated under the SEBI Listing Regulations.

As such, other than meeting the requirements indicated in the chapter titled “*Objects of the Issue*” at page 45 of this Letter of Offer, there is no other intention / purpose for the Issue, including any intention to delist our Equity Shares.

In case the Rights Issue remains unsubscribed and / or minimum subscription is not achieved, the Board of Directors may dispose of such unsubscribed portion in the best interest of the Company and the Equity Shareholders and in compliance with the applicable laws.

6. All the Equity Shares of our Company are fully paid-up as on the date of this Letter of Offer. Further, the Equity Shares offered in the Rights Issue shall be made fully paid at the time of their allotment.
7. At any given time, there shall be only one denomination of the Equity Shares of our Company, excluding any equity shares with superior rights, if any, issued by our Company.
8. The ex-rights price per Equity Share arrived in accordance with Regulation 10(4)(b) of the SEBI Takeover Regulations is ₹ 102.51.
9. The details of the shareholders holding more than 1% of the share capital of the Company as on September 30, 2024 are as under:

| Sr. No. | Name of Shareholders           | No. of Equity Shares held | % of total share capital |
|---------|--------------------------------|---------------------------|--------------------------|
| 1.      | Jayantibhai Mohanbhai Kumbhani | 55,73,346                 | 33.17                    |
| 2.      | Ghanshyam Mohanbhai Kumbhani   | 19,12,220                 | 11.38                    |
| 3.      | Alpaben Jayantibhai Kumbhani   | 16,77,960                 | 9.99                     |
| 4.      | Nandaben Ghanshyam Kumbhani    | 10,20,000                 | 6.07                     |
| 5.      | Pravinbhai Mohanbhai Kumbhani  | 9,82,000                  | 5.85                     |
| 6.      | Rudiben M Kumbhani             | 5,16,024                  | 3.07                     |
| 7.      | Bhavnaben Pravinbhai Kumbhani  | 3,18,450                  | 1.90                     |



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#### **10. Shareholding Pattern of our Company:**

Shareholding Pattern of the Equity Shares of our Company as per the last filing with the Stock Exchange, i.e., as on September 30, 2024 can be accessed on the website of the NSE at - <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=SIKKO&tabIndex=equity>

The statement showing the holding of Equity Shares of persons belonging to the category “Promoter and Promoters Group” as on September 30, 2024 can be accessed on the website of the NSE at - <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=SIKKO&tabIndex=equity>

The Statement of showing the details of shares pledged, encumbrance by promoters and promoter group as on September 30, 2024 can be accessed on the website of the NSE at - <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=SIKKO&tabIndex=equity>

#### **11. Details of options and convertible securities outstanding as on the date of this Letter of Offer:**

There are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Letter of Offer.



## SECTION V – PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

The Issue Proceeds from the Issue will be utilized towards the following objects:

- 1) Capital expenditure for purchase of Land, Building Construction and fabrication and Plant & Machineries
- 2) To meet General corporate purposes
- 3) Offer Related Expenses

(Collectively referred as the “objects”)

The main objects of our Memorandum of Association permit us to undertake our existing activities and the activities for which the funds are being raised by us, through the present Issue. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution.

Our funding requirements are dependent on a number of factors, which may not be in the control of our management, changes in our financial condition and current commercial conditions. Such factors may entail rescheduling and / or revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure, subject to compliance with applicable law.

### REQUIREMENTS OF FUNDS

The proceeds of the Issue, after deducting Issue related expenses, are estimated to be ₹ 4,879.20 Lakhs (the “Net Issue Proceeds”).

The following table summarizes the requirement of funds:

| Particulars                  | Amount (₹ in Lakhs) |
|------------------------------|---------------------|
| Gross Offer Proceeds         | 4,939.20            |
| Less: Offer Related Expenses | 60.00               |
| <b>Net Offer Proceeds</b>    | <b>4,879.20</b>     |

### UTILIZATION OF NET ISSUE PROCEEDS

We intend to utilise the Net Proceeds from the Issue, in the manner set below:

| Particulars  | Amount (₹ in Lakhs) | % of gross proceeds | % of Net proceeds |
|--|---------------------|---------------------|-------------------|
| Capital expenditure for acquisition of Land, Building Construction and fabrication and acquisition of Plant & Machineries and Electricals. | 4,100.43            | 83.02%              | 84.04%            |
| To meet General corporate purposes   | 778.77              | 15.77%              | 15.96%            |
| <b>Total</b>   | <b>4,879.20</b>     | <b>98.79%</b>       | <b>100.00%</b>    |

# The amount to be utilised for general corporate purposes will not exceed 25% of the gross Offer proceeds.

### SCHEDULE OF IMPLEMENTATION/ UTILIZATION OF ISSUE PROCEEDS

Our Company proposes to deploy the Net Proceeds in the aforesaid objects as follows:

| Particulars  | Amount (₹ in Lakhs) Proposed to be Deployed from Issue Proceeds | Estimated Schedule of Deployment of Net Proceeds |                 |
|--|---|--|-----------------|
|  |   | FY 2024-25                                       | FY 2025-26      |
| Capital expenditure for acquisition of Land, Building Construction and fabrication and acquisition of Plant & Machineries and Electricals. | 4,100.43  | 2,500.00   | 1,600.43        |
| To meet General corporate purposes   | 778.77  | 778.77   | 0.00            |
| <b>Total</b>   | <b>4,879.20</b>   | <b>3,278.77</b>                                  | <b>1,600.43</b> |

# The amount to be utilised for general corporate purposes will not exceed 25% of the gross Offer proceeds.



To the extent our Company is unable to utilize any portion of the Net Proceeds towards the Objects, as per the estimated schedule of deployment specified above, Our Company shall deploy the Net Proceeds in the subsequent Financial Years towards the Objects, subject to compliance of applicable laws.

## MEANS OF FINANCE

The funding requirements mentioned above are based on our Company's internal management estimates and have not been appraised by any bank, financial institution or any other external agency. They are based on current circumstances of our business and our Company may have to revise these estimates from time to time on account of various factors beyond our control, such as market conditions, competitive environment and interest or exchange rate fluctuations. Consequently, our Company's funding requirements and deployment schedules are subject to revision in the future at the discretion of our management, subject to compliance of applicable law. If additional funds are required for the purposes as mentioned above, such requirement may be met through internal accruals, additional capital infusion, debt arrangements or any combination of them, subject to compliance with applicable laws.

The fund requirements set out above are proposed to be entirely funded from the Net Proceeds. Accordingly, we confirm that there are no requirements to make firm arrangements of finance under Regulation 62(1)(c) of the SEBI ICDR Regulations through verifiable means towards 75% of the stated means of finance, excluding the amount to be raised from the Issue.

## DETAILS OF THE OBJECTS

The details of the objects of the Issue are set out below:

### 1. CAPITAL EXPENDITURE FOR ACQUISITION OF LAND, BUILDING CONSTRUCTION AND FABRICATION AND PLANT & MACHINERIES:

As part of our continuing endeavour to expand our product portfolio, increase our manufacturing capabilities, strengthen our presence, and become a key supplier of pesticide and fertilizer in domestic as well as international market, we intend to set up new processing unit to manufacture and expand our existing facilities of manufacturing Pesticides and Fertilizers.

The proposed enhancement of manufacturing facilities consists of (i) Additional Unit of Pesticides and (ii) New Unit of Fertilizers.

With a view to increase our capacity of manufacturing Pesticides and Fertilizers, we are in the process of expanding existing facilities by acquiring the Non-Agriculture Land situated at Survey No. 173 paiki Plot No. 173/174, Ajanta Industrial Estate Village. Vasna Iyava, Tal. Sanand, Ahmedabad, Gujarat – 382 110, India and establishing new manufacturing unit thereof of Pesticides and Fertilizers. The new manufacturing Pesticides and Fertilizers will add on our Capacity of Pesticides and Fertilizers as under;

| Capacity of                         | Existing Capacity | Proposed Expansion |
|-------------------------------------|-------------------|--------------------|
| <b>Pesticide (Per Day 2 Shift)</b>  |                   |                    |
| Powder (in KGS/Day)                 | 28500             | 110000             |
| Liquid (in KGS/Day)                 | 28000             | 120000             |
| <b>Fertilizer (Per Day 2 Shift)</b> |                   |                    |
| Fertilizer (in MT)                  | 0                 | 450                |

The capacity is expanded looking at the demand from existing customers in addition to other opportunities of job works to other domestic and international customers. We believe that this enhancement of manufacturing capacity will help us to increase our productivity, widen our product range, improve our operational efficiencies, and assist in the reduction of our overall expenses which will improve our profit margins.

### Details of Estimated Costs;

The total estimated cost of capital expenditure for enhancement of manufacturing capacity is ₹ 4,125.43 lakhs. The detailed break-down of estimated cost is set forth below:

(₹ in Lakh)



| Particulars  | Total Estimated Amount |
|--|------------------------|
| Land   | 972.00                 |
| Buildings Construction and Fabrication   | 2,273.82               |
| Plant, Machineries and Electricals   | 779.61                 |
| Provisions for contingency, interest cost during construction and other expenses | 100.00                 |
| <b>Total</b>   | <b>4,125.43</b>        |

Out of total estimated cost of capital expenditure for enhancement of manufacturing capacity of ₹ 4,125.43 lakhs, our Company intends to utilize ₹ 4,100.43 lakhs from Right Issue Proceed in following manner;

**Land:**

Our Company has entered into Agreement to Sale dated May 23, 2024 with Siganjka Industries Private Limited (formally known as Kimaya Extractions Private Limited), one of our Group Company, for acquiring the Non-Agriculture Land situated at Survey No. 173 paiki Plot No. 173/174, Ajanta Industrial Estate Village. Vasna Iyava, Tal. Sanand, Ahmedabad, Gujarat – 382 110, India admeasuring 16723.50 Sq. Mtrs for an aggregate consideration of ₹ 900.0 lakhs. Out of which the Company has given advance of ₹ 25.00 Lakh and balance ₹ 875.00 Lakh is payable by our Company by on or before 6 months from the date of Agreement to Sale. Additionally, our Company is required to pay expenses related to final agreement like Stamp Duty, registration fees, professional fees and other incidental expenses. Our Company estimates that total of ₹ 72.00 Lakh may be payable towards such expenses and accordingly, the Company will utilized total ₹ 947.00 Lakh out of right issue proceeds towards acquiring above land.

To the extent of Rupees 875.00 Lakh which is to be financed from the Net Issue Proceeds towards acquisition of above properties which is payable to Siganjka Industries Private Limited whose beneficiaries are Promoters and Directors of our Company, such amount shall be deemed to be paid to our Promoters and Directors of the Company. Our Company has obtained the approval for the proposal for entering into this Material Related Party Transaction(s) in relation to “purchasing of land situated at Survey No. 173 paiki Plot No. 173/174, Ajanta Industrial Estate Village. Vasna Iyava, Tal. Sanand, Ahmedabad, Gujarat – 382 110, India admeasuring 16723.50 Sq. Mtrs between the Company and M/s. Siganjka Industries Private Limited (Formerly Known as Kimaya Extractions Private Limited), a private company in which a director or manager or his relative is a member or director, by the Members vide their resolution passed in their Extra-Ordinary General Meeting of the Company on Saturday, June 22, 2024.

**Buildings and Construction**

Our Company proposes to incur an aggregate cost of ₹ 2,273.82 lakhs towards building and civil and construction works for establishing manufacturing facility as set forth below:

| Sr. No.      | Particulars  | Name of the Supplier <sup>^</sup> | Quotation# and Date                           | Validity | Amount*<br>(₹ in lakhs) |
|--------------|--|-----------------------------------|---|----------|-------------------------|
| 1.           | Construction and installing Factory Shed comprising of Supply & Erection of structure Supply & Fitting of Roof & wall sheeting including freight charges, Turbo Ventilator And 6MM Thick Insulation  | AN INFRA PROJECTS                 | Ref No. Not Available dated November 28, 2024 | 6 Months | 221.82                  |
| 2.           | Construction of Block A and Ground Floor thereof, Office Building, Block – C Shed Foundation, Block B and Ground Floor and First Floor thereof, Block – D and Ground Floor, First Floor and Second Floor thereof, Road Area and Open Area / Land Development, RCC underhead Water Tank, RCC decorative main gate and Admin Building Renovation | Karan Builders                    | Ref No. Not Available dated November 28, 2024 | 7 Months | 2,052.00                |
| <b>Total</b> |  |                                   |   |          | <b>2,273.82</b>         |

\* The above cost excludes applicable taxes

<sup>^</sup> Our Company shall have flexibilities in choosing the Suppliers within the parameter of cost, time, quality and such other parameters as may be decided by the Board of Directors. Any additional cost will be met from the Internal Accruals of the Company.





## Plant, Machineries and Electricals

Our Company proposes to incur an aggregate cost of ₹ 779.61 lakhs towards purchase of various Plant, Machineries and Electricals for establishing manufacturing facility as set forth below:

| Sr. No. | Particulars   | Name of the Supplier <sup>^</sup>         | Quotation and Date   | Validity | Amount*<br>(₹ in lakhs) |
|---------|---|---|--|----------|-------------------------|
| 1.      | Electronics cables, Penal, Switch Board & Accessories etc.  | Shraddha Refrigeration & Electric Service | Ref No. 31(1), 31(2), 31(3) and 31(4) dated November 27, 2024    | 6 Months | 142.07                  |
| 2.      | Electric Fluid Bed Dryer 120 Kgs Capacity, Ribbon Blender 150 Kgs Capacity and Vibro Sifter 48" Eh Single Deck  | Veer Pharma Tech                          | Ref No. Not Available dated November 28, 2024                    | 6 Months | 12.76                   |
| 3.      | Single Head Semi-Automatic Digital Liquid filling Machine, 36" Turn Table, 4 Head PLC Based filling Machine, Automatic Linear Screw Capping Machine (Cap placing Manual), Automatic Induction Cap Sealing Machine with S.S. Conveyor, Self-Adhesive Round bottle Sticker labeling machine (Without printer) | Shree Vishvakarma Industries              | Ref No. SVI-047-2024-25 dated November 29, 2024                  | 6 Months | 44.11                   |
| 4.      | Coated Granules Formulation plant 2 mt cap./Batch, Emulsifying Concentrate Liquid Formulation Plant   | D.K. Engineering Co.                      | Ref No. DKE/SIPL - 01/2024-25 dated November 27, 2024            | 6 Months | 147.95                  |
| 5.      | 50 Ltr Cap Horizontal Sand Mill (NFLP), 2000 Ltr High Speed Stirrer Tank With 20 HP Motor with VFD and 2000 Ltr Anchor Type Mixing Tank With 7.5 HP Gear Motor  | Innovative Fabricator                     | Ref No. 134/24-25 dated November 27, 2024                        | 180 Days | 20.12                   |
| 6.      | Agrochemical Formulation Plant with Jet Mill – Spiral Type (BMF – 20") + Pre- Blender + LSS + Post blender (2 Nos.) + Control Panel + Optional Items Full plant – FLAME PROOF – SS 304 – 1,000 kg Batch   | Techno Bonanza Private Limited            | Ref No. TBPL/2049/24-25/110 dated November 27, 2024              | 180 Days | 92.55                   |
| 7.      | Drum Trolley, Platform Trolley, Semi Electric Stacker, Hydraulic Single Mast Goods Lift, Hydraulic Single Mast Goods Lift   | Liftmech Industries                       | Ref No. Quotation 10 dated November 27, 2024                     | 6 months | 7.67                    |
| 8.      | Induction Cap Sealing Machine - FLUXOSEALER BREZO_A_C_SS (Air Cooled)   | Arshad Electronics Private Limited        | Ref No. AEPL/SIL/ICS/2024-25/22072024/14 dated November 27, 2024 | 180 days | 2.55                    |
| 9.      | ACE Electric Forklift Truck Model AF20E   | Pristine Enterprise                       | Ref No. PE/GUJ/FLT/SJ/2024-25/073 dated November 27, 2024        | 180 days | 11.20                   |
| 10.     | Gid-tie Solar PV rooftop System having capacity of 99.36 kW   | Designlux Private Limited                 | Ref No. DPL/ISE/2024-25/16 dated November 27, 2024               | 180 days | 31.50                   |



| Sr. No. | Particulars   | Name of the Supplier <sup>^</sup>      | Quotation and Date  | Validity | Amount*<br>(₹ in lakhs) |
|---------|---|--|---|----------|-------------------------|
| 11.     | Gliphosate Reactor 5KL Limpet Coil, Holding Vessel Capacity 5 KL, Dozzing Tank For Mippa 1KL and Basket Extruder Complete Jacketed SS-304L  | AB Tech Engineers                      | Ref No. ABTQ/24-25/679 dated November 27, 2024                    | 6 months | 25.00                   |
| 12.     | UV VIS Spectrophotometer Model 2704, ChroZen HPLC Solvent Bottle Tray, ChroZen HPLC Quaternary Gradient Pump with Vacuum degasser, Column Oven HCO-02, ChroZen HPLC UV/Vis Detector, 7725i with Column holder for mounting the injector/Valve, YL-Clarity Chromatography Data System for Young In Chromass LC, ChroZen GC Mainframe Assembly, Packed Inlet Assembly for ChroZen GC, FID (Flame Ionization Detector) Assembly for ChroZen GC, Add One Instruments of YL-Clarity, GC Control (A23) and GC tool Kit                    | Samarth Instruments                    | Ref No. 39A-2324, 40-2324 and 41-2324 dated November 27, 2024     | 180 days | 26.55                   |
| 13.     | Weight Scales   | Blue Birds Instruments Private Limited | Ref No. Not Available dated November 28, 2024                     | 6 months | 1.15                    |
| 14.     | Vx 150i 53mm TTO Thermal Transfer Overprint, Domino Thermal Ink Jet system model Gx150i-1, Ink Jet Printer Ax350i and its Accessories & Fluids  | Domino Printech India LLP              | Ref No. Not Available dated November 27, 2024 & November 28, 2024 | 180 days | 12.24                   |
| 15.     | Sonicator/ Ultrasonic Cleaner 3.2 Ltr, Ultrasonic Cleaner/ Sonicator bath Cap. 4.5 Ltr, Vacuum Pump Oil Single Stage without accessories Oil sealed, air cooled, V-beit driven and mounted on base plate with belt guard etc., with mitor 220 volts AC single phase, Heating Mantle Cap. 1Ltr., Laboratory Oven, Magnetic Stirrer with Hot Plate 2 MLH, Centrifuge Dome Type Electric 4 Tube, Melting Point Apparatus Digital Make: jkle, Flash Point, Heating Mantle Cap. 2Ltr, Heating Mantle Cap. 3Ltr, Heating Mantle Cap. 5Ltr | Jay Shree Khodiyar Lab. Equipment      | Ref No. 2023-24/1716 dated November 27, 2024                      | 180 days | 1.38                    |
| 16.     | Continuous Inkjet Printer, Tij Printer 12.7mm 7 Inch Screen Single Head (Heavy)   | Shakti Printech                        | Ref No. SP/24-25/061 dated November 27, 2024                      | 6 Months | 5.45                    |
| 17.     | 10ml to 30ml Pesticide Liquid Packing Machine, 50gm to 1kg Pesticide Powder Filling Machine, 50gm to 1kg Pesticide Powder Filling Machine, Continuous Band Sealer Machine, Continuous Band  | Chamunda Packaging Industries          | Ref No. 93/24-25, 94/24-25, 95/24-25 dated November 29, 2024      | 180 days | 50.54                   |



| Sr. No. | Particulars   | Name of the Supplier <sup>^</sup> | Quotation and Date   | Validity | Amount*<br>(₹ in lakhs) |
|---------|---|-----------------------------------|--|----------|-------------------------|
|         | <p>Sealer Machine, 500kg Powder Mixer Machine, Screw Conveyor for Hopper Filling, 3hp Compressor and Extra Screw Funnel</p> <p>1kg to 5kg Grenules, Pulses Packing Machine, Bucket Elevator for Hopper Filling</p> <p>50gm to 1kg Pesticides Grenules With Online Convyor Filling Machine, Bucket Elevator for Hopper Filling</p>   |                                   |  |          |                         |
| 18.     | <p>Single Head Ampoule filling Machine, Double Head Ampoule filling Machine, Box Stepping Machine, Bach Mark Coding Machine, Powder Filling Augar Machine, WDG Machine, Pouch Sealling Machine, Weight Machines (1 kg to 5 kg), Weight Machines (10 kg to 250 kg), 2000 Ltr Capacity Mixing Vassels for Formulation, 1000 Ltr Capacity Mixing Vassels for Formulation</p>   | Nexus Agro Industries             | Ref No. Nexus / Quotation /56/27.11.2024 dated November 27, 2024 | 6 Months | 33.77                   |
| 19.     | <p>HPLC Lob Testing instrument, GC Lob Testing instrument, UV Spectrophotometer Lab Testing instrument, Filling Line, Semi-Automatic Filling Machines</p>   | Guru Corporation                  | Ref No. Not Available dated November 27, 2024                    | 6 Months | 37.91                   |
| 20.     | Computers, Laptops, CCTV Camera, Printers, Software and other accessories   | Gajera Infocom                    | Ref No. SEI/147, 194/2024 and SIS-154 dated November 28, 2024    | 180 days | 19.04                   |
| 21.     | <p>Bagger Machine Model Auto 500 (PNEUMATIC) - 2 Set, Forming Assembly for 1kg POUCH SIZE – 2 Set, Structure for Combination weigh Filler – 2 Set, Weigh Filler - 6Head (7L Bucket) – 1Set, Bucket Elevator With Vibro Hopper (75 Liter) Suitable To Load Product To Weigh Filler Hopper. Electricals: 415vac, 3-Phase, 50hz, 1hp Motor, Discharge Height: 3750mm</p> <p>Qty. 2 Set, Set Of Forming Assembly For 4kg</p> <p>Bagger Machine Model Auto 300 (PNEUMATIC) - 2 Set, Forming Assembly for 500g POUCH SIZE – 2 Set, Servo Auger Filler with level sensor – 2 Set, Inclined Screw Feeder With Base Hopper To Load Product From Bottom To Machine Hopper With Vibro Feeder. Motor: 1.5hp +</p> | Prolific Packaging & Projects     | Ref No. 006/2024 and 007/2024 dated November 27, 2024            | 180 days | 54.11                   |



| Sr. No.   | Particulars  | Name of the Supplier <sup>^</sup> | Quotation and Date | Validity | Amount*<br>(₹ in lakhs) |
|---|--|-----------------------------------|--------------------|----------|-------------------------|
|   | 0.5hp With Stirrer Electricals: 415vac/50hz – 3-Phase, Set Of Forming Assembly For 5g To 20g – 2 set |                                   |                    |          |                         |
| <b>Total Plant, Machineries and Electricals</b> |  |                                   |                    |          | <b>779.62</b>           |

\* The above cost excludes applicable taxes

<sup>^</sup> Our Company shall have flexibilities in choosing the Suppliers within the parameter of cost, time, quality and such other parameters as may be decided by the Board of Directors. Any additional cost will be met from the Internal Accruals of the Company.

### Provisions for contingency, interest cost during construction and other expenses

The current estimates and specifications in relation to the capital expenditure requirements of the new Manufacturing Facilities are based on the current status of project design and layout. For Manufacturing Facilities, our Company has received quotations for Buildings Construction and Fabrication, plant & machineries, and electrical, as above, however we may have to incur additional costs that would be known only at the time of commencement of the construction or commissioning of the plant & machineries and electrical fittings. Further, expenses such as pre-operative expenses, erection, and commission expenses would require to be incurred. Our Company envisages that there might be price fluctuations and the cost may increase. The total cost for contingencies during construction period, pre-operative expenses and other miscellaneous expenses are estimated to ₹ 100.00 Lakhs.

### Infrastructure facilities and Utilities

#### Power

In relation to the establishment of new manufacturing facilities, our Company will require initial supply of 300KW power and we propose to seek the power connection by entering a power supply agreement with Gujarat State Electricity Corporation Limited (“GSECL”). The proposed 310KVA sub-station with single combined connection to the Company will provide seamless transfer of energy between eligible units. The Company is also installing Grid-tie Solar PV rooftop System having capacity of 99.36 kW which will be captively consumed by the Company.

#### Water

The processing unit will consume ~2KLD water. The said water will be made available through Sanand Nagarpalika.

#### Technical Knowhow

Since our Company will undertake the same line of business activity, no other special technical “know how” is required.

### Government and other Approvals

In relation to the new Manufacturing Facilities, our Company has will apply for obtaining necessary approvals under the Factories Act, 1948 and Gujarat Pollution Control Board. For further details, see the chapter titled “GOVERNMENT APPROVALS” on page 112 of this Letter of Offer.

## 2. GENERAL CORPORATE PURPOSE:

Our Company proposes to deploy the balance Net Proceeds, aggregating to ₹ 778.77 Lakh, towards general corporate purposes as approved by our management from time to time, subject to such utilisation not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilise Net Proceeds include, but are not restricted to, funding growth opportunities, strengthening marketing capabilities, meeting ongoing general corporate exigencies and contingencies; meeting our business requirements, expenses incurred in ordinary course of business, payment of commission and/or fees to consultants, business development initiatives, employee welfare activities, other expenses including salaries and wages, administration, insurance, repairs and maintenance, payment of taxes and duties and any other purpose, as may be approved by the Board or a duly constituted committee thereof, subject to compliance with applicable law, including provisions of the Companies Act.



In addition to the above, our Company may utilise the Net Proceeds towards other purposes considered expedient and as approved periodically by our Board, subject to compliance with necessary provisions of the Companies Act. Our Company's management shall have flexibility in utilising surplus amounts, if any. Our management will have the discretion to revise our business plan from time to time and consequently our funding requirement and deployment of funds may change. This may also include rescheduling the proposed utilization of Net Proceeds. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes, subject to compliance with applicable laws. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilize such unutilized amount in the subsequent Fiscals.

### 3. ISSUE RELATED EXPENSES

The total expenses of the Issue are estimated to be approximately ₹ 60.00 lakhs. The expenses of this include, among others, underwriting and management fees, printing and distribution expenses, advertisement expenses, legal fees and listing fees. The estimated Issue expenses are as follows:

| Expenses  | Expenses<br>(₹ In Lakh) | Expenses<br>(% of Total<br>Issue expenses) | Expenses<br>(% of Gross<br>Issue Proceeds) |
|---|-------------------------|--|--|
| Fees Payable to Advisor to the Offer  | 12.00                   | 20.00%                                     | 0.24%                                      |
| Fees Payable to Registrar to the Offer  | 2.50                    | 4.17%                                      | 0.05%                                      |
| Fees Payable Advertising, Marketing Expenses, Printing Expenses and shareholder outreach expenses | 28.25                   | 47.08%                                     | 0.57%                                      |
| Fees Payable to Regulators including Stock Exchanges and other Intermediaries                     | 13.50                   | 22.50%                                     | 0.27%                                      |
| Fees payable to the legal counsels and other Certification charges <sup>#</sup>                   | 2.50                    | 4.17%                                      | 0.05%                                      |
| Other issue related expense   | 1.25                    | 2.08%                                      | 0.03%                                      |
| <b>Total Estimated Offer Expenses*</b>  | <b>60.00</b>            | <b>100.00%</b>                             | <b>1.21%</b>                               |

<sup>#</sup>Includes fees payable to the Statutory Auditors,

\*Excluding applicable taxes. Subject to finalisation of Basis of Allotment. In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards general corporate purposes.

#### Details of funds already deployed till date and sources of funds deployed:

The funds deployed up to November 29,2024 pursuant to the object of this Issue as certified by the Auditors of our Company pursuant to their certificate dated November 29,2024 is given below:

| Deployment of funds                                       | Expenses (₹ In Lakh) |
|---|----------------------|
| Issue Related*  | 2.50                 |
| Objects Related – Advance Payment for Acquisition of Land | 25.00                |
| <b>Total</b>  | <b>27.50</b>         |

\*The said amount has been met by the Company from its own resources and the same will be adjusted against the issue proceeds.

| Sources of funds  | Expenses (₹ In Lakh) |
|-------------------|----------------------|
| Internal Accruals | 27.50                |
| Bank Finance      | Nil                  |
| <b>Total</b>      | <b>27.50</b>         |

### APPRAISAL REPORT

None of the objects for which the Issue Proceeds will be utilised have been financially appraised by any financial institutions / banks.

### BRIDGE FINANCING

We have not entered into any bridge finance arrangements that will be repaid from the Net Issue Proceeds.



## **INTERIM USE OF FUNDS**

Pending utilization of the Issue Proceeds for the Objects of the Issue described above, our Company shall deposit the funds only in Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilization of the proceeds of the Issue as described above, it shall not use the funds from the Issue Proceeds for any investments in equity and/or real estate products and/or equity linked and/or real estate linked products.

## **MONITORING UTILIZATION OF FUNDS**

There is no requirement for the appointment of a monitoring agency, as the Issue size is less than ₹ 10,000 Lakhs. Our Board will monitor the utilization of the proceeds of the Issue and will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant Fiscal subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on quarterly basis disclose to the Audit Committee the Application of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Letter of Offer and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full.

## **VARIATION IN OBJECTS**

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the "Postal Ballot Notice") shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

## **OTHER CONFIRMATIONS**

Except, to the extent of Rupees 875.00 Lakh which is to be financed from the Net Issue Proceeds towards acquisition of above properties and payable to Siganjka Industries Private Limited whose beneficiaries are Promoters and Directors of our Company, no part of the proceeds of the Issue will be paid by us to the Promoters and Promoter Group, the Directors, Associates, Key Management Personnel or Group Companies except in the normal course of business and in compliance with the applicable law.





## STATEMENT OF SPECIAL TAX BENEFITS

To,  
**SIKKO INDUSTRIES LIMITED**  
508, Iscon Eligance, Nr. Jain Temple  
Nr. Prahladnagar Pick up Stand, Vejalpur,  
Ahmedabad, Gujarat, India, 380051

**Subject - Rights issue of equity shares of face value of ₹ 10 each (the “Equity Shares”) of Sikko Industries Limited (the “Company”) under Chapter III of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “SEBI ICDR Regulations”), and the Companies Act, 2013, as amended (the “Companies Act, 2013”) (“Rights Issue”).**

**Reference - Right Issue of Equity Shares by Sikko Industries Limited**

Dear Sir/Madam

We hereby confirm that the enclosed **Annexure A**, prepared by the Company and initialled by us for identification purpose (“**Statement**”) for the Rights Issue, provides the possible special tax benefits available to the Company and its shareholders under direct tax and indirect tax laws presently in force in India, as amended and read with the rules, circulars and notifications, applicable for Financial Year 2024-25.

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant statutory provisions. Hence, the ability of the Company and/or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on business imperatives the Company or its shareholders faces in the future, the Company or its shareholders may not choose to fulfil.

This statement of possible special tax benefits is required as per Schedule VI (Part B – 1) (10) of the SEBI ICDR Regulations. For the purpose of this Statement, it is assumed that with respect to special tax benefits available to the Company, and/or its shareholders, the same would include those benefits as enumerated in **Annexure A**. Further, any benefits available under any other laws within or outside India, except for those mentioned in **Annexure A** have not been examined and covered by this statement.

The preparation of the accompanying statement is accurate, complete, and free from misstatement is the responsibility of the management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents.

The benefits discussed in the enclosed Statement are not exhaustive. The Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Rights Issue.

Also, our confirmation is based on the existing provisions of law and our interpretation of the same, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

In respect of non-residents, the tax rates and the consequent taxation in India shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.

Our confirmation is based on the information, explanations and representations obtained from the Company and based on our understanding of the business activities and operations of the Company.

We do not express an opinion or provide any assurance as to whether:

- a) The Company and its shareholders will continue to obtain the benefits as per the Statement in future;
- b) The conditions prescribed for availing the benefits, wherever applicable have been/ would be met with; and
- c) The revenue authorities/courts will concur with the views expressed herein.





We hereby consent to be named an “expert” under the Companies Act, 2013, as amended, and our name may be disclosed as an expert to any applicable legal or regulatory authority insofar as may be required, in relation to the statements contained therein. We further confirm that we are not and have not been engaged or interested in the formation or promotion or management of the Company.

We also consent to the inclusion of this Statement and the Annexure as a part of “*Material Contracts and Documents for Inspection*” in connection with the Rights Issue, which will be available for inspection from date of the filing of the Letter of Offer until the Issue Closing Date.

We confirm that the information in this certificate is true and correct and there is no untrue statement or omission which would render the contents of this certificate misleading in its form or context. We have conducted our examination in accordance with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) and accordingly, confirm that we have complied with such Code of Ethics issued by the ICAI.

This certificate is for information and for inclusion (in part or full) in the Issue Documents or any other Rights Issue-related material, and may be relied upon by the Company and the advisors appointed by the Company in relation to the Offer.

We hereby consent to (i) the submission of this certificate as may be necessary to the SEBI, the relevant stock exchanges and any other regulatory authority and/or for the records to be maintained by the Lead Managers and in accordance with applicable law; and (ii) the disclosure of this certificate if required by reason of any law, regulation or order of a court or by any governmental or competent regulatory authority; or in seeking to establish a defence in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation.

Yours Faithfully

**For, D G M S & CO**  
**Chartered Accountants**  
**FRN: 0112187W**

-- sd --

**Hiren J. Maru**  
**Partner**  
**Membership No. 115279**  
**UDIN: 24115279BKBWJP3050**

**Place: Mumbai**  
**Date: 10/07/2024**



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## ANNEXURE 1 TO THE STATEMENT OF TAX BENEFITS

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the Act presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

**YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION**

### **A. SPECIAL TAX BENEFITS TO THE COMPANY**

The Company is not entitled to any special tax benefits under the Act.

### **B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER**

The Shareholders of the Company are not entitled to any special tax benefits under the Act.

#### **Note:**

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its shareholders in this Letter of Offer.



## SECTION VI – ABOUT THE COMPANY

### INDUSTRY OVERVIEW

*The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. None of the Company and any other person connected with the Issue have independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projection forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on information.*

*Shareholders should note that this is only a summary of the industry in which we operate and does not contain all information that should be considered before investing in the Equity Shares. Before deciding to invest in the Equity Shares, shareholders should read this Letter of Offer, including the information in the sections “Financial Information” on pages 94 of this Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares please see the section “Risk Factors” on page 22 of this Letter of Offer. Accordingly, investment decisions should not be based on such information.*

### GLOBAL OUTLOOK

*Global growth is projected to stabilize at 2.6 percent this year, holding steady for the first time in three years despite flaring geopolitical tensions and high interest rates. It is then expected to edge up to 2.7 percent in 2025-26 amid modest growth in trade and investment. Global inflation is projected to moderate - but at a slower clip than previously assumed, averaging 3.5 percent this year. Given continued inflationary pressures, central banks in both advanced economies and emerging market and developing economies (EMDEs) will likely remain cautious in easing monetary policy. As such, average benchmark policy interest rates over the next few years are expected to remain about double the 2000-19 average.*

*Despite an improvement in near-term growth prospects, the outlook remains subdued by historical standards in advanced economies and EMDEs alike. Global growth over the forecast horizon is expected to be nearly half a percentage point below its 2010-19 average pace. In 2024-25, growth is set to underperform its 2010s average in nearly 60 percent of economies, representing more than 80 percent of global population and world output. EMDE growth is forecast to moderate from 4.2 percent in 2023 to 4 percent in both 2024 and 2025. Prospects remain especially lackluster in many vulnerable economies - over half of economies facing fragile- and conflict-affected situations will still be poorer by the end of this year than on the eve of the pandemic.*

*Global risks remain tilted to the downside despite the possibility of some upside surprises. Escalating geopolitical tensions could lead to volatile commodity prices, while further trade fragmentation risks additional disruptions to trade networks. Already, trade policy uncertainty has reached exceptionally high levels compared to other years that have featured major elections around the world since 2000. The persistence of inflation could lead to delays in monetary easing. A higher-for-longer path for interest rates would dampen global activity. Some major economies could grow more slowly than currently anticipated due to a range of domestic challenges. Additional natural disasters related to climate change could also hinder activity. On the upside, global inflation could moderate more quickly than assumed in the baseline, enabling faster monetary policy easing. In addition, growth in the United States could be stronger than expected.*

*Against this backdrop, decisive global and national policy efforts are needed to meet pressing challenges. At the global level, priorities include safeguarding trade, supporting green and digital transitions, delivering debt relief, and improving food security. At the national level, persistent inflation risks underscore the need for EMDE monetary policies to remain focused on price stability. High debt and elevated debt-servicing costs will require policy makers to seek ways to sustainably boost investment while ensuring fiscal sustainability. To meet development goals and bolster long-term growth, structural policies are needed to raise productivity growth, improve the efficiency of public investment, build human capital, and close gender gaps in the labor market.*

**Regional Prospects:** *Growth is projected to soften in most EMDE regions in 2024. In East Asia and Pacific, the expected slowdown this year mainly reflects moderating growth in China. Growth in Europe and Central Asia, Latin America and the Caribbean, and South Asia is also set to decelerate amid a slowdown in their largest economies. In contrast, growth is projected to pick up this year in the Middle East and North Africa and SubSaharan Africa, albeit less robustly than previously forecast.*

**Harnessing the Benefits of Public Investment:** *Public investment can be a powerful policy lever in EMDEs to help ignite growth, including by catalyzing private investment.* However, public investment in these economies has experienced a significant slowdown in the past decade. In EMDEs with ample fiscal space and a record of efficient government spending, scaling up of public investment by one percent of GDP can increase output by up to 1.6 percent over the medium term. Public investment also crowds in private investment and boosts productivity, promoting long-run growth in these economies.

*To maximize the impact of public investment, EMDEs should undertake wide-ranging policy reforms to improve public investment efficiency - by, among other things, strengthening governance and fiscal administration - and create fiscal space through revenue and expenditure measures. The global community can play an important role in facilitating these reforms - particularly in lower-income developing countries - through financial support and technical assistance.*

**Fiscal Challenges in Small States: Weathering Storms, Rebuilding Resilience:** *The COVID-19 pandemic and the global shocks that followed have worsened fiscal and debt positions in small states.* This has intensified their already substantial fiscal challenges—especially the need to manage more frequent climate change-related natural disasters. Two-fifths of the 35 EMDE small states are at high risk of debt distress or already in it, roughly twice the share for other EMDEs. Fiscal deficits in small states have widened since the pandemic, reflecting increased government spending to support households and firms, as well as weaker revenues.

*Comprehensive fiscal reforms are essential to address the fiscal challenges confronting small states.* First, small states' revenues, which are highly volatile, should be drawn from a more stable and secure tax base. Second, spending efficiency needs to be improved. These changes should be complemented by reforms to fiscal frameworks, including better utilization of fiscal rules and sovereign wealth funds. Finally, the global community can bolster funding for small states to invest in climate change resilience and adaptation, and other priority areas, including technical assistance in fiscal policy and debt management.

(Source:

<https://openknowledge.worldbank.org/server/api/core/bitstreams/88d04f90-2597-488e-a693-1246cbfeb06b/content>)

## INDIAN ECONOMY

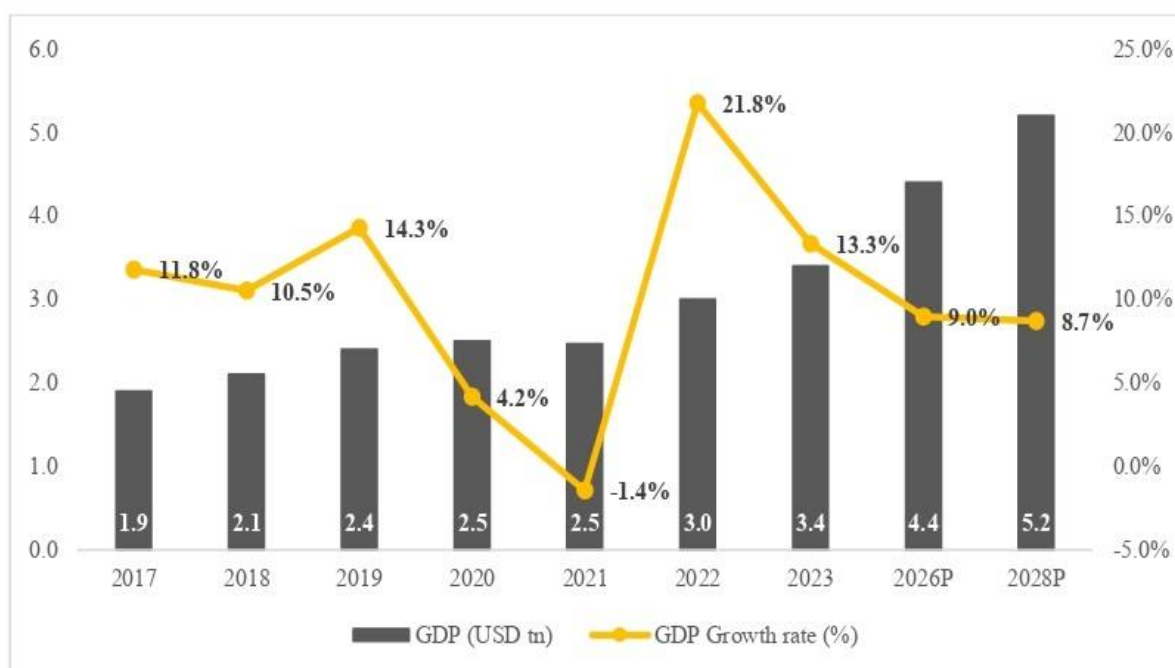
**India is the world's 5th largest economy and expected to be in the top 3 by FY 28**

India ranked fifth in the world in terms of nominal gross domestic product ("GDP") for FY 22 and is the third largest economy in the world in terms of purchasing power parity ("PPP"). India is expected to be USD ~5.2 trillion economy by FY 28 and is estimated to be the third largest economy surpassing Germany and Japan.

**India's nominal GDP at current prices (In USD Tn) and GDP Growth rate (%) (FY)**

India's nominal GDP has grown at a CAGR of 9.6% between FY 17 and FY 22 and is expected to continue the trend by registering an expected CAGR of 8.9% for 5-year time period from FY 23 to FY 28. Since FY 05, the Indian economy's growth rate had been twice as that of the world economy and it is expected to sustain this growth momentum in the long term. From FY 23 to FY 28, India's nominal GDP is expected to grow at a CAGR of 8.9%, which compares favorably to the world average (4.9%) and with other major economies, including China (6.5%), UK (4.6%), Japan (0.4%), Germany (2.1%) and the USA (4.1%) for the similar period of CY 22 to CY 27. It is also expected that the growth trajectory of Indian economy will enable India to be among the top 3 global economies by FY 28. Several factors are likely to contribute to economic growth in the long run. These include favourable demographics, reducing dependency ratio, rapidly rising education levels, steady urbanization, growing young & working population, IT revolution, increasing penetration of mobile & internet infrastructure, government policies, increasing aspirations and affordability etc.

Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Nominal GDP or GDP at Current Prices in the year 2023-24 is estimated at ₹ 293.90 lakh crores (US\$ 3.52 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of ₹ 269.50 lakh crores (US\$ 3.23 trillion). The growth in nominal GDP during 2023-24 is estimated at 9.1% as compared to 14.2% in 2022-23. Strong domestic demand for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as among the key driver of the GDP in the first half of FY24. During the period January-March 2024, India's exports stood at US\$ 119.10 billion, with Engineering Goods (25.01%), Petroleum Products (17.88%) and Organic and Inorganic Chemicals (7.65%) being the top three exported commodity. Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.



Source: World Bank Data, RBI, IMF

Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers. The contact-based services sector has demonstrated promise to boost growth by unleashing the pent-up demand. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

*India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.*

(Source: [www.ibef.org](http://www.ibef.org))

## MARKET SIZE

India's nominal GDP at current prices was estimated at ₹ 232.15 trillion (US\$ 3.12 trillion) in FY22. With more than 100 unicorns valued at US\$ 332.7 billion, India has the third-largest unicorn base in the world. The government is also focusing on renewable sources to generate energy, and is planning to achieve 40% of its energy from non-fossil sources by 2030.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time period. India's current account deficit (CAD) narrowed to 1.2% of GDP in the October-December quarter. The CAD stood at US\$ 10.5 billion for the third quarter of 2023-24 compared to US\$ 11.4 billion or 1.3% of GDP in the preceding quarter. This was largely due to higher service exports.

*Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown. According to Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles Mr. Piyush Goyal, Indian exports are expected to reach US\$ 1 trillion by 2030.*

(Source: <https://www.ibef.org/economy/indian-economy-overview>)

## RECENT DEVELOPMENTS

India is primarily a domestic demand-driven economy, with consumption and investments contributing to 70% of the economic activity. With an improvement in the economic scenario and the Indian economy recovering from the Covid-19 pandemic shock, several investments and developments have been made across various sectors of the economy. According to World Bank, India must continue to prioritise lowering inequality while also putting growth-oriented policies into place to boost the economy. In view of this, there have been some developments that have taken place in the recent past. Some of them are mentioned below.

- According to HSBC Flash India PMI report, business activity surged in April to its highest level in about 14 years as well as sustained robust demand. The composite index reached 62.2, indicating continuous expansion since August 2021, alongside positive job growth and decreased input inflation, affirming India's status as the fastest-growing major economy.
- As of April 12, 2024, India's foreign exchange reserves stood at US\$ 643.162 billion.
- In 2023, India saw a total of US\$ 49.8 billion in PE-VC investments.
- Merchandise exports in March 2024 stood at US\$ 41.68 billion, with total merchandise exports of US\$ 437.06 billion during the period of April 2023 to March 2024.
- India was also named as the 48th most innovative country among the top 50 countries, securing 40th position out of 132 economies in the Global Innovation Index 2023. India rose from 81st position in 2015 to 40th position in 2023. India ranks 3rd position in the global number of scientific publications.
- In March 2024, the gross Goods and Services Tax (GST) stood at second highest monthly revenue collection at ₹1.78 lakh crore (US\$ 21.35 billion), of which CGST is ₹ 34,532 crore (US\$ 4.14 billion), SGST is ₹ 43,746 crore (US\$ 5.25 billion).
- Between April 2000–December 2023, cumulative FDI equity inflows to India stood at US\$ 971.52 billion.
- In February 2024, the overall IIP (Index of Industrial Production) stood at 147.2. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 139.6, 144.5 and 187.1, respectively, in February 2024.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 5.69% in December 2023.
- Foreign Institutional Investors (FII) inflows between April-July (2023-24) were close to ₹ 80,500 crore (US\$ 9.67 billion), while Domestic Institutional Investors (DII) sold ₹ 4,500 crore (US\$ 540.56 million) in the same period. As per depository data, Foreign Portfolio Investors (FPIs) invested (US\$ 8.06 billion) in India during January-April 2024.
- The wheat procurement during RMS 2023-24 (till May) was estimated to be 262 lakh metric tonnes (LMT) and the rice procured in KMS 2023-24 was 385 LMT. The combined stock position of wheat and rice in the Central Pool is over 579 LMT (Wheat 312 LMT and Rice 267 LMT).

(Source: <https://www.ibef.org/economy/indian-economy-overview>)

## GOVERNMENT INITIATIVES

Over the years, the Indian government has introduced many initiatives to strengthen the nation's economy. The Indian government has been effective in developing policies and programmes that are not only beneficial for citizens to improve their financial stability but also for the overall growth of the economy. Over recent decades, India's rapid economic growth has led to a substantial increase in its demand for exports. Besides this, a number of the government's flagship programmes, including Make in India, Start-up India, Digital India, the Smart City Mission, and the Atal Mission for Rejuvenation and Urban Transformation, is aimed at creating immense opportunities in India. In this regard, some of the initiatives taken by the government to improve the economic condition of the country are mentioned below:

- In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at ₹ 47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is ₹ 11,11,111 crores (US\$ 133.27 billion).
- On January 22, 2024, Prime Minister Mr. Narendra Modi announced the 'Pradhan Mantri Suryodaya Yojana'. Under this scheme, 1 crore households will receive rooftop solar installations.
- On September 17, 2023, Prime Minister Mr. Narendra Modi launched the Central Sector Scheme PM-VISHWAKARMA in New Delhi. The new scheme aims to provide recognition and comprehensive support to traditional artisans & craftsmen who work with their hands and basic tools. This initiative is designed to enhance the quality, scale, and reach of their products, as well as to integrate them with MSME value chains.
- On August 6, 2023, Amrit Bharat Station Scheme was launched to transform and revitalize 1309 railway stations across the nation. This scheme envisages development of stations on a continuous basis with a long-term vision.
- On June 28, 2023, the Ministry of Environment, Forests, and Climate Change introduced the 'Draft Carbon Credit Trading Scheme, 2023'.



- From April 1, 2023, Foreign Trade Policy 2023 was unveiled to create an enabling ecosystem to support the philosophy of 'AtmaNirbhar Bharat' and 'Local goes Global'.
- To enhance India's manufacturing capabilities by increasing investment and production in the sector, the government of India has introduced the Production Linked Incentive Scheme (PLI) for Pharmaceuticals.
- Prime Minister's Development Initiative for North-East Region (PM-DevINE) was announced in the Union Budget 2022-23 with a financial outlay of ₹ 1,500 crore (US\$ 182.35 million).
- Prime Minister Mr Narendra Modi has inaugurated a new food security scheme for providing free food grains to Antodaya Ann Yojna (AAY) & Primary Household (PHH) beneficiaries, called Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY) from January 1, 2023.
- The Amrit Bharat Station scheme for Indian Railways envisages the development of stations on a continuous basis with a long-term vision, formulated on December 29, 2022, by the Ministry of Railways.
- On October 7, 2022, the Department for Promotion of Industry and Internal Trade (DPIIT) launched Credit Guarantee Scheme for Start-ups (CGSS) aiming to provide credit guarantees up to a specified limit by start-ups, facilitated by Scheduled Commercial Banks, Non-Banking Financial Companies and Securities and Exchange Board of India (SEBI) registered Alternative Investment Funds (AIFs).
- Telecom Technology Development Fund (TTDF) Scheme was launched in October 2022 by the Universal Service Obligation Fund (USOF), a body under the Department of Telecommunications. The objective is to fund R&D in rural-specific communication technology applications and form synergies among academia, start-ups, research institutes, and the industry to build and develop the telecom ecosystem.
- Home & Cooperation Minister Mr. Amit Shah laid the foundation stone and performed Bhoomi Pujan of Tanot Mandir Complex Project under Border Tourism Development Programme in Jaisalmer in September 2022.
- In August 2022, Mr. Narendra Singh Tomar, Minister of Agriculture and Farmers Welfare inaugurated four new facilities at the Central Arid Zone Research Institute (CAZRI), which has been rendering excellent services for more than 60 years under the Indian Council of Agricultural Research (ICAR).
- In August 2022, a Special Food Processing Fund of ₹ 2,000 crore (US\$ 242.72 million) was set up with National Bank for Agriculture and Rural Development (NABARD) to provide affordable credit for investments in setting up Mega Food Parks (MFP) as well as processing units in the MFPs.
- In July 2022, Deendayal Port Authority (DPA) announced plans to develop two Mega Cargo Handling Terminals on a Build-Operate-Transfer (BOT) basis under Public-Private Partnership (PPP) Mode at an estimated cost of ₹ 5,963 crore (US\$ 747.64 million).
- In July 2022, the Union Cabinet chaired by Prime Minister Mr. Narendra Modi, approved the signing of the Memorandum of Understanding (MoU) between India & Maldives. This MoU will provide a platform to tap the benefits of information technology for court digitization and can be a potential growth area for IT companies and start-ups in both countries.
- India and Namibia entered a Memorandum of Understanding (MoU) on wildlife conservation and sustainable biodiversity utilization on July 20, 2022, for establishing the cheetah into the historical range in India.
- In July 2022, the Reserve Bank of India (RBI) approved international trade settlements in Indian rupees (Rs.) to promote the growth of global trade with emphasis on exports from India and to support the increasing interest of the global trading community.
- The Agnipath Scheme aims to develop a young and skilled armed force backed by an advanced warfare technology scheme by providing youth with an opportunity to serve Indian Army for a 4-year period. It is introduced by the Government of India on June 14, 2022.
- In June 2022, Prime Minister Mr. Narendra Modi inaugurated and laid the foundation stone of development projects worth ₹ 21,000 crore (US\$ 2.63 billion) at Gujarat Gaurav Abhiyan at Vadodara.
- Mr. Rajnath Singh, Minister of Defence, launched 75 newly developed Artificial Intelligence (AI) products/technologies during the first-ever 'AI in Defence' (AIDef) symposium and exhibition organized by the Ministry of Defence in New Delhi on July 11, 2022.
- In June 2022, Prime Minister Mr. Narendra Modi laid the foundation stone of 1,406 projects worth more than ₹ 80,000 crore (US\$ 10.01 billion) at the ground-breaking ceremony of the UP Investors Summit in Lucknow. The Projects encompass diverse sectors like Agriculture and Allied industries, IT and Electronics, MSME, Manufacturing, Renewable Energy, Pharma, Tourism, Defence & Aerospace, and Handloom & Textiles.
- The Indian Institute of Spices Research (IISR) under the Indian Council for Agricultural Research (ICAR) inked a Memorandum of Understanding (MoU) with Lysterra LLC, a Russia-based company for the commercialization of bio capsule, an encapsulation technology for bio-fertilization on June 30, 2022.
- As of April 2022, India signed 13 Free Trade Agreements (FTAs) with its trading partners including major trade agreements like the India-UAE Comprehensive Partnership Agreement (CEPA) and the India-Australia Economic Cooperation and Trade Agreement (IndAus ECTA).
- 'Mission Shakti' was applicable with effect from April 1, 2022, aimed at strengthening interventions for women's safety, security, and empowerment.

- The Union Budget of 2022-23 was presented on February 1, 2022, by the Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman. The budget had four priorities PM GatiShakti, Inclusive Development, Productivity Enhancement and Investment, and Financing of Investments. In the Union Budget 2022-23, effective capital expenditure is expected to increase by 27% at ₹ 10.68 trillion (US\$ 142.93 billion) to boost the economy. This will be 4.1% of the total Gross Domestic Production (GDP).
- Strengthening of Pharmaceutical Industry (SPI) was launched in March 2022 by the Ministry of Chemicals & Fertilisers to provide credit linked capital and interest subsidy for Technology Upgradation of MSME units in pharmaceutical sector, as well as support of up to ₹ 20 crore (US\$ 2.4 million) each for common facilities including Research centre, testing labs and ETPs (Effluent Treatment Plant) in Pharma Clusters, to enhance the role of MSMEs.
- Under PM GatiShakti Master Plan, the National Highway Network will develop 25,000 km of new highways network, which will be worth ₹ 20,000 crore (US\$ 2.67 billion). In 2022-23. Increased government expenditure is expected to attract private investments, with a production-linked incentive scheme providing excellent opportunities. Consistently proactive, graded, and measured policy support is anticipated to boost the Indian economy.
- In February 2022, The Ministry of Social Justice & Empowerment launched the Scheme for Economic Empowerment of Denotified/Nomadic/SemiNomadic tribal communities (DNTs) (SEED) to provide basic facilities like good quality coaching, and health insurance. livelihoods initiative at a community level and financial assistance for the construction of houses.
- In February 2022, Minister for Finance and Corporate Affairs Ms. Nirmala Sitharaman said that productivity linked incentive (PLI) schemes would be extended to 14 sectors to achieve the mission of AtmaNirbhar Bharat and create 60 lakh jobs with an additional production capacity of ₹ 30 trillion (US\$ 401.49 billion) in the next five years.
- In the Union Budget of 2022-23, the government announced funding for the production-linked incentive (PLI) scheme for domestic solar cells and module manufacturing of ₹ 24,000 crore (US\$ 3.21 billion).
- In the Union Budget of 2022-23, the government announced a production-linked incentive (PLI) scheme for Bulk Drugs which was an investment of ₹ 2,500 crore (US\$ 334.60 million).
- In the Union Budget of 2022, Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced that a scheme for design-led manufacturing in 5G would be launched as part of the PLI scheme.
- In September 2021, Union Cabinet approved major reforms in the telecom sector, which are expected to boost employment, growth, competition, and consumer interests. Key reforms include rationalization of adjusted gross revenue, rationalization of bank guarantees (BGs), and encouragement of spectrum sharing.
- In the Union Budget of 2022-23, the government has allocated ₹ 44,720 crore (US\$ 5.98 billion) to Bharat Sanchar Nigam Limited (BSNL) for capital investments in the 4G spectrum.
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman allocated ₹ 650 crore (US\$ 86.69 million) for the Deep Ocean mission that seeks to explore vast marine living and non-living resources. Department of Space (DoS) has got ₹ 13,700 crore (US\$ 1.83 billion) in 2022-23 for several key space missions like Gaganyaan, Chandrayaan-3, and Aditya L-1 (sun).
- In May 2021, the government approved the production-linked incentive (PLI) scheme for manufacturing advanced chemistry cell (ACC) batteries at an estimated outlay of ₹ 18,100 crore (US\$ 2.44 billion); this move is expected to attract domestic and foreign investments worth ₹ 45,000 crore (US\$ 6.07 billion).
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced in the Union Budget of 2022-23 that the Reserve Bank of India (RBI) would issue Digital Rupee using blockchain and other technologies.
- In the Union Budget of 2022-23, Railway got an investment of ₹ 2.38 trillion (US\$ 31.88 billion) and over 400 new high-speed trains were announced. The concept of "One Station, One Product" was also introduced.
- To boost competitiveness, Budget 2022-23 has announced reforming the 16-year-old Special Economic Zone (SEZ) act.
- In June 2021, the RBI (Reserve Bank of India) announced that the investment limit for FPI (foreign portfolio investors) in the State Development Loans (SDLs) and government securities (G-secs) would persist unaffected at 2% and 6%, respectively, in FY22.
- In November 2020, the Government of India announced ₹ 2.65 trillion (US\$ 36 billion) stimulus package to generate job opportunities and provide liquidity support to various sectors such as tourism, aviation, construction, and housing. Also, India's cabinet approved the production-linked incentives (PLI) scheme to provide ~Rs. 2 trillion (US\$ 27 billion) over five years to create jobs and boost production in the country.
- Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Prime Minister of India Mr. Narendra Modi launched the Make in India initiative with an aim to boost the country's manufacturing sector and increase the purchasing power of the average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, the government has also come up with the Digital India initiative, which focuses on three core components: the creation of digital infrastructure, delivering services digitally, and increasing digital literacy.

- On January 29, 2022, the National Asset Reconstruction Company Ltd (NARCL) will acquire bad loans worth up to ₹ 50,000 crore (US\$ 6.69 billion) about 15 accounts by March 31, 2022. India Debt Resolution Co. Ltd (IDRCL) will control the resolution process. This will clean up India's financial system, help fuel liquidity, and boost the Indian economy.
- National Bank for Financing Infrastructure and Development (NaBFID) is a bank that will provide non-recourse infrastructure financing and is expected to support projects from the first quarter of FY23; it is expected to raise ₹ 4 trillion (US\$ 53.58 billion) in the next three years.
- By November 1, 2021, India, and the United Kingdom hope to begin negotiations on a free trade agreement. The proposed FTA between these two countries is likely to unlock business opportunities and generate jobs. Both sides have renewed their commitment to boost trade in a manner that benefits all.
- In August 2021, Prime Minister Mr. Narendra Modi announced an initiative to start a national mission to reach the US\$ 400 billion merchandise export target by FY22.
- In August 2021, Prime Minister Mr. Narendra Modi launched a digital payment solution, e-RUPI, a contactless and cashless instrument for digital payments.
- In April 2021, Dr. Ahmed Abdul Rahman AlBanna, Ambassador of the UAE to India and Founding Patron of IFIICC, stated that trilateral trade between India, the UAE and Israel is expected to reach US\$ 110 billion by 2030.
- India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23.
- The Government of India is expected to increase public health spending to 2.5% of the GDP by 2025

(Source: <https://www.ibef.org/economy/indian-economy-overview>)

## ROAD AHEAD

India's economic story during the first half of the current financial year highlighted the unwavering support the government gave to its capital expenditure, which, in 2023-24, stood 37.4% higher than the same period last year. In the budget of 2023-24, capital expenditure took lead by steeply increasing the capital expenditure outlay by 37.4 % in BE 2023-24 to ₹10 lakh crore (US\$ 120.12 billion) over ₹ 7.28 lakh crore (US\$ 87.45 billion) in RE 2022-23. The ratio of revenue expenditure to capital outlay increased by 1.2% in the current year, signalling a clear change in favour of higher-quality spending. Stronger revenue generation because of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels. In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at ₹ 47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is ₹ 11,11,111 crore (US\$ 133.27 billion).

Since India's resilient growth despite the global pandemic, India's exports climbed at the second-highest rate with a year-over-year (YoY) growth of 8.39% in merchandise exports and a 29.82% growth in service exports till April 2023. With a reduction in port congestion, supply networks are being restored. The CPI-C inflation reduction from June 2022 already reflects the impact. In September 2023 (Provisional), CPI-C inflation was 5.02%, down from 7.01% in June 2022. With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall.

(Source: <https://www.ibef.org/economy/indian-economy-overview>)

## INDIA AGROCHEMICAL MARKET

Driven largely by government support, expanding production capacities, a flourishing domestic and export market, and a steady stream of innovative products, the Indian agrochemicals industry is projected to clock a robust compound annual growth rate (CAGR) of nine per cent from FY2025 to FY2028, says a report by Rubix Data Sciences, a leading risk management and monitoring company.

This steady growth will propel the market size of the Indian agrochemical industry to \$14.5 billion by FY28 from the current levels of around \$10.3 billion, the report said, adding that India's agrochemicals exports registered a strong 14 per cent CAGR from FY2019 to FY2023, reaching \$5.4 billion in FY2023.

This impressive export growth stands in stark contrast to imports, which registered a more moderate 6 per cent CAGR during the same period, thus solidifying India's position as a net exporter, it said.

The report noted that within the agrochemicals sector, herbicides have emerged as the leading export segment, experiencing the fastest growth at 23 per cent CAGR from FY2019 to FY2023. The share of herbicides in total agrochemical exports increased from 31 per cent to 41 per cent during the same timeframe.

It said that the Indian agrochemicals export landscape reveals a growing concentration in key markets.

The top five countries (Brazil, USA, Vietnam, China, and Japan) now account for nearly 65 per cent of India's agrochemical exports, up from 48 per cent in FY2019. India's domestic agrochemicals usage currently totals a mere 0.6 kg per hectare, which is a fraction compared to the Asian average (3.6 kg/ha) and a mere quarter of the global average (2.4 kg/ha).

"This low utilisation signifies immense potential for market expansion in the coming years, presenting a fertile ground for industry growth," the report said. It, however, added that the road ahead for the sector is not without its fair share of challenges.

"Global economic uncertainties pose a risk, as do intensifying competitive pressures from established players like China. Climate change further complicates the equation, with unpredictable monsoons disrupting agricultural patterns and impacting crop yields," the report added.

(Source: <https://eng.ruralvoice.in/agribusiness/indian-agrochemical-sector-poised-for-9pc-cagr-growth-by-fy28.html>)

The rising population in India, accompanied by rising affluence, is creating a shift in consumption patterns. There is a need to not just increase production to meet demand but also to ensure that the nutritional needs of an increasingly affluent population are met. Shrinking arable land and loss of crops due to pest attacks lead to wastage, posing a critical challenge to ensuring food and nutritional security. The agrochemical market is an important agriculture support industry, which boosts the agriculture output. These factors support the growth of the market.

In India, about 15-25% of potential crop production is lost due to pests, weeds, and diseases. The need for improving crop productivity with a focus on the effective use of pest control measures and the adoption of weed management practices has been recognized as an important factor in increasing agricultural output. These factors are aiding the use of agrochemicals in agriculture to increase output.

Pesticide usage is high among other chemicals. Price premiums and innovative eco-friendly production methods are emerging steadily in the agrochemical market. There is an increasing need to balance the judicious use of the best chemicals and minimize the impact of that use. As the Central Government focuses on promoting sustainable agriculture practices, there is an increase in the use of biopesticides which now accounts for 15% of the market.

According to the Federation of Indian Chambers of Commerce and Industry, the Indian government recognizes the agrochemical industry as one of its top 12 industries to achieve global leadership, growing at 8-10% through 2025. Thus, the agrochemical sector in India is projected to witness growth during the forecast period.

(Source: <https://www.mordorintelligence.com/industry-reports/india-agrochemicals-market>)

India is one of the major players in the agriculture sector worldwide and it is the primary source of livelihood for 55% of India's population. India has the world's largest cattle herd (buffaloes), largest area planted to wheat, rice, and cotton, and is the largest producer of milk, pulses, and spices in the world. It is the second-largest producer of fruit, vegetables, tea, farmed fish, cotton, sugarcane, wheat, rice, cotton, and sugar. Agriculture sector in India holds the record for second-largest agricultural land in the world generating employment for about half of the country's population. Thus, farmers become an integral part of the sector to provide us with means of sustenance. Consumer spending in India will return to growth in 2021 post the pandemic-led contraction, expanding by as much as 6.6%. The Indian food industry is poised for huge growth, increasing its contribution to world food trade every year due to its immense potential for value addition, particularly within the food processing industry. The Indian food processing industry accounts for 32% of the country's total food market, one of the largest industries in India and is ranked fifth in terms of production, consumption, export and expected growth.

## INDIAN FERTILISER SECTOR

India's fertilizer industry has transformed, ensuring food security for over half a century. Despite challenges like geopolitical tensions and climate change, innovations and policy support drive sustainable agricultural growth.

### Introduction

Unlike other periods in contemporary Indian history there has been no famine in India during the past half a century. Agricultural production witnessed a steady increase from the 1970's to the present (2023), which now stands at 329.7 million tons of grain production. In India, several factors contributed to this big achievement, the foremost among them



being the use of mineral fertilizers in the farmlands. Globally, India is the second largest producer and consumer of fertilizers only after China.

As of now, the fertilizer manufacturing industry in India is a robust venture, utilization of installed capacities is good and the profitability of the business is also better. The situation was different just five years back when government subsidy was inadequate and that too not available to the manufacturing units in time resulting in heavy financial strains to maintain operations of the unit. Some major players left the scene as they found other investment options more lucrative.

### Domestic Production

Urea, DAP, NP and NPK complex fertilizers, ammonium sulphate, potash and single super phosphate (SSP) are the major fertilizer products used in Indian agriculture. India has a high dependency on imported fertilizer raw materials, intermediate and products.

| Year     | Nitrogen (N) (million tonnes) |                    |            |                        | Phosphate (P <sub>2</sub> O <sub>5</sub> ) (million tonnes) |                    |            |                        |
|----------|-------------------------------|--------------------|------------|------------------------|---|--------------------|------------|------------------------|
|          | No of plants                  | Installed Capacity | Production | Capacity Utilization % | No of plants  | Installed Capacity | Production | Capacity Utilization % |
| 2021-'22 | 56                            | 15.35              | 13.87      | 91.9                   | 119   | 7.1                | 4.71       | 68                     |
| 2022-'23 | 60                            | 17.28              | 15.74      | 95.2                   | 122   | 7.28               | 5.01       | 70.6                   |

**Table 1: Installed capacity and production of fertilizers**

In India, farming and the production of food grains is not a big-ticket business being operated at industry level. Though there are large farm holdings owned by some houses, the bulk of the Indian farmers are small and marginal ones who cultivate for subsistence and sell surplus to the market. Therefore, there is a heavy dependence on government support system, which are available in the form of fertilizer subsidies and minimum support price for procurement of grain by the agencies in the government.

| Year        | 2021-'22 (million tonnes) |                               |                  |       | 2022-'23 (million tonnes) |                               |                  |       |
|-------------|---------------------------|-------------------------------|------------------|-------|---------------------------|-------------------------------|------------------|-------|
|             | N                         | P <sub>2</sub> O <sub>5</sub> | K <sub>2</sub> O | Total | N                         | P <sub>2</sub> O <sub>5</sub> | K <sub>2</sub> O | Total |
| Production  | 13.87                     | 4.71                          | -                | 18.58 | 15.74                     | 5.01                          | -                | 20.75 |
| Import      | 5.38                      | 2.78                          | 1.66             | 9.82  | 5.22                      | 3.76                          | 1.46             | 10.44 |
| Consumption | 19.44                     | 7.83                          | 2.53             | 29.80 | 20.21                     | 7.92                          | 1.72             | 29.84 |

**Table 2: Production, import and consumption of fertilizers**

Food fertilizer and fuel subsidies constitute a big junk of government finances in the budgets presented to the Parliament every year. Following the Ukraine war and development of a troubled geo-political situation in the Middle East; there has been a complete disruption in the supply chain in the fertilizer industry, in the government from time to time and thus the government still has a say in fixing the prices of complex and potassic fertilizers.

### Import of Fertilizers

The highest import dependence is for potash for which no domestic sources are available. Efforts are underway to recover potash from spent lye from the sugar industry and from seawater bittern. In the case of phosphatic fertilizers for which raw material (phosphate rock), intermediate (phosphoric acid) and finished products (DAP and NPK complex fertilizers) need

to be imported from other countries. Available phosphate deposits in Jharkhand in Rajasthan contain only a lower P<sub>2</sub>O<sub>5</sub> content suitable for making SSP only. Around 30% of the country's urea requirement is met by imports. Every year the government earmarks a sizable quantum of foreign exchange for the above imports.

### Fertilizer Subsidy

Under the Indian fertilizer subsidy regime, producers are asked to sell fertilizer materials (especially urea under the Retention Pricing Scheme – RPS) to the farmers at a price fixed by the government that is affordable to them. The price differential between cost of production together with a reasonable return on investment and the market realisation for every ton of product dispatched from the plants is paid to the manufacturer as a fertilizer subsidy. Urea is the largest volume fertilizer consumed in India and it comes under the subsidy regime.

Phosphate, complex and potash fertilizers have been partly decontrolled from pricing in 1992 and placed under a nutrient based subsidy (NBS) scheme since 2010. A fixed subsidy amount depending on its nutrient content (N, P, K, and S) is allowed for these products. It is revised by the Department of Fertilizers in the government from time to time and thus the government still has a say in fixing the prices of complex and potassic fertilizers.

Following the shift in the geopolitical situation in Europe the cost of domestic production increased heavily and so also the subsidy burden on the government. To sustain production, the government absorbed all price rise and thus during 2022-23 the subsidy bill went as high as 2.51 trillion rupees.

| <b>Subsidy budgeted ( Rs trillion)</b> | <b>2022-'23</b> | <b>2023-24</b> | <b>2024-'25</b> |
|--|-----------------|----------------|-----------------|
| <b>Urea Subsidy</b>                    |                 |                |                 |
| Indigenous                             | 1.253           | 1.021          | 1.003           |
| Imported                               | 0.434           | 0.300          | 0.226           |
| <b>Nutrient Based Subsidy</b>          |                 |                |                 |
| Indigenous                             | 0.500           | 0.324          | 0.265           |
| Imported                               | 0.360           | 0.279          | 0.185           |
| <b>Total (less recoveries)</b>         | <b>2.513</b>    | <b>1.889</b>   | <b>1.641</b>    |

**Table 3: Fertilizer subsidies**

### Nutrient Efficiency

Even though per hectare consumption of fertilizer nutrients in India is much lower than compared to Japan, China, Egypt, Korea etc., the fertilizer use is still lower. Serious efforts were made to scientifically analyse the nutrient demand of the soil and administer the requisite quantum of nutrients to the crops. The government has issued soil health cards to farmers to promote integrated nutrient management for improving soil fertility and increase productivity. Farmers are advised to use a judicious mix of chemical, organic, bio fertilisers and other innovative fertilisers as recommended by the soil health card. Together with fertigation, drip irrigation, proactive soil nutrient and water management, the fertilizer use efficiency is being improved and wastage of valuable crop inputs is reduced to some extent.

Farmers are also encouraged to use coated, modified, and fortified fertilizer materials for better nutrient administration and to reduce pollution from leaching of nutrients to the environment. Thrust was also given to the use of secondary and micronutrients. Water soluble fertilizers (WSFs) are also produced and marketed by several producers. It dissolves completely in water and the nutrients are more efficiently absorbed by the plant through fertigation. Additional subsidy is provided under the NBS scheme for fertilizers fortified with boron and zinc.

### Nano Urea and DAP

A major turning point in the Indian fertilizer sector is the development of Nano urea and DAP by agriculture scientists. These are nano technology products in liquid form which can be used as foliar spray for top-dressing instead of conventional soil based application of urea and DAP. The country's major fertilizer producer in the cooperative sector IFFCO started industry scale manufacturing of the nano-products and that is made available to the farmers. Initial results indicate promising gains from the foliar application of nano-products to the crops and its long term implications are being studied.





Being an agrarian country India has a large reserve of biomass. Use of biomass for fertilizer application is being promoted in a big way. Composted municipal waste is also being used widely by Indian farmers. Of late, gasification of biomass to produce ammonia is also being explored by manufacturers.

### **Decarbonization of the Industry**

The fertilizer Industry is both energy and carbon intensive. The carbon intensity has substantially reduced from the shift in the feedstock from coal and liquid petroleum components to natural gas. The Indian industry is highly optimized on the energy consumption front over the years incorporating the developments in unit operations, energy conservation, waste reduction, reactor revamp technologies, use of innovative equipment and catalysts and improving overall plant safety.

Most of the Indian plants are of vintage prior to 1995 except a few. A good number of retrofits and revamps have taken place in each of these plants as part of modernization, energy conservation and efforts to better safety and environmental aspects. In the present context of advancing decarbonisation, existing operators may have to adopt carbon capture sequestration and storage (CCSS) or other technologies to fall in line with the national agenda towards net zero emissions. In the coming years, water electrolysis using renewable power to produce green hydrogen is slated to become the technology for ammonia synthesis. India's National Green Hydrogen Mission (NGHM), National Solar Mission, National Bioenergy program, Ministry of Renewable Energy and Bureau of Energy Efficiency are partners in this pioneering program.

Already serious carbon reduction programs are being taken up by the world's most renowned fertilizer producers across the globe and the Indian industry has also to fall in line with the above to ward off the adverse impacts of climate change.

### **Outlook for Future**

Fertilizer is a strategic input to agriculture and therefore it is still one of the prime considerations of the government. The industry which was mostly a public sector activity in the 1980s is now dominated by the private sector due to change in the Government of India's public policy towards state owned industries. The Government of India has made serious attempts to disinvest the public sector fertilizer units but so far not succeeded. Of late, the disinvestment of the public sector fertilizer units is not a priority item before the Government. Decarbonization of the industry to produce green fertilizers will certainly add on to the cost of production which can be overcome by diligent application based on the 4R concept (right source, right rate, right time, and right place) and by increasing nutrient efficiencies.

The Indian population now stands at 1430 million in 2023 and is growing at the rate of 0.92 % per annum. Around 68% of the people belong to a working age group and thus India is a young nation. The food demand is going to increase in the coming years and therefore a stable policy for sustainable agriculture duly supported by optimized production, effective delivery and utmost diligence in its use efficiency are important for the country.



## BUSINESS OVERVIEW

The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Letter of Offer, including the information contained in the section titled "Risk Factors", beginning on page no.22 of this Letter of Offer.

Unless the context otherwise requires, in relation to business operations, in this section of this Letter of Offer, all references to "we", "us", "our" and "our Company" are to Sikko Industries Limited and Group Entities as the case may be.

### OVERVIEW

Sikko Industries Limited was originally incorporated in the name of Sikko Sprayers Private Limited on February 8, 2000. Thereafter, the company was converted in to public limited company and name of the Company was changed from Sikko Sprayers Private Limited to Sikko Sparayers Limited via Special Resolution passed by the members on 16/02/2010. Subsequently, the Name of Company has changed from Sikko Sprayers Limited to Sikko Industries Limited and Fresh certificate of Incorporation pursuant to change of name was issued by Assistant Registrar of Companies, Gujarat and Dadra Nagar Haveli on March 17, 2010.

In the year 1998, Our Promoter was running proprietorship firm, namely Sikko Sprayers & Exports Co. which was engaged in the manufacturing of "Growth Promoters" and its used as supplements in agriculture by farmers. In the blanket of Growth Promoters various products are sold namely Vakil, Diamond, Vasool, Biomono which are in combination of granules and liquid form. In addition, firm was engaged in assembling of different parts of Spray Pump having Inside and cylinder without bearing. The spray pumps are used by farmers in agriculture to spreyc pesticides.

In the year 2000 our Company was incorporated as Sikko Sprayers Private Limited. Our Company acquired Sikko Sprayers & Exports Co., proprietorship concern of Mr. Pravinbhai M. Kumbhani in the year 2000 and consequent to which entire assets-liabilities including outstanding creditors of the said proprietorship concern were taken over by our company for which there was no formal agreement for acquisition of the said business was entered.

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. To sum up our Company is engaged in manufacturing of Pesticides including organic Pesticides, Fertilizers including organic fertilizer, Spray Pump and Organic Seeds.



The initial object of the Company is to set up facilities for manufacture of all kinds of sprayers for agricultural purposes and all spare parts of such sprayers. Afterwards the main object of the Company has been changed vide Special Resolution passed through Postal Ballot and Remote e-Voting on October 13, 2022. As per latest Object clause of Memorandum of Association of the Company, followings are main objects of the Company;

1. To carry on business as manufacturers, assemblers, stockist, agents, importers, exporters, traders, whole-sellers, retailers, distributors or dealers of all kinds of sprayers for agricultural purposes and all spare parts of such sprayers..
2. To manufacture, process, refine, install, work, store, maintain, improve, manipulate, formulate, pack, mix, prepare for market, sell both in wholesale or retail, buy, repair, alter, exchange, export, import, distribute and deal in all kinds of and types of pesticides, fertilizers, all types of agricultural chemicals, pesticides intermediates, including insecticides, fungicides, herbicides, weedicides and all allied and agricultural products, seeds, seed products and its byproducts thereof.
3. To manufacture, formulate, process, develop, refine, import, export, wholesale and/or retail trade all kinds of pharmaceuticals, surgical with surgical instruments, antibiotics, drugs, medicines, biologicals, nutraceuticals, healthcare, Ayurvedic and dietary supplement products, medicinal preparations, vaccines, chemicals, chemical products, dry salters, mineral waters, wines, cordials, liquors, soups, broths and other restoratives or foods and also to deal in medicinal goods such as surgical instruments, contraceptives, photographic goods, oils, perfumes, cosmetics, patent medicines, soaps, artificial limbs, hospital requisites, proprietary medicines, veterinary medicines and tinctures extracts and to carry on the business of vialling, bottling, repacking, processing of tablets, capsules, syrups, injections,



ointments, etc. and also to carry on the business of chemists, druggists, buyers, sellers, agents, distributors and stockists of all kinds of pharmaceuticals and allied products.

4. To carry on business of export, import, buying, selling, processing, and trading of agricultural commodities of all kinds such as fruits, vegetables, pulses, grains, spices or any other agro commodities or produce whatsoever including processed foods.

Company was initially engaged in manufacturing of pesticides, fertilizers, all types of agricultural chemicals, pesticides intermediates, including insecticides, fungicides, herbicides, weedicides and all allied and agricultural products, seeds, seed products and its byproducts thereof. However, management on boarding, has arrived to a decision to enter into manufacturing of pharmaceuticals goods and agricultural commodities.

Our company is manufacturing and supplying a wide range of agrochemicals, pesticides, bio pesticides, organic pesticides, bio larvicides, organic larvicides, bio miticides, organic fertilizers, water soluble fertilizers, chemical fertilizers, and many more products for Agri inputs.

## OUR PRODUCTS

We sell a wide range of products. Some products are as mentioned below:

### I. Range of Organic Pesticide:

|     |  |     |  |
|-----|--|-----|--|
| 1.  | Khanjar (Organic Pesticide)                  | 2.  | Dokamar (Organic Larvicide)                                |
| 3.  | Shakti (Organic Miticide Cum Acaricide)      | 4.  | Mite Win (Organic Miticide)                                |
| 5.  | Sulala (Organic Pesticide)                   | 6.  | Japan Jet (Organic Pesticide for All Sucking Pest Control) |
| 7.  | Mundamar (Herbal Pesticide+Bio Stimulant)    | 8.  | Mono Tej (Herbal Pesticide)                                |
| 9.  | NEMATOSIK (ORGANIC NEMATOCIDE)               | 10. | BPH Plus / Ultra Super(For Paddy BPH Control)              |
| 11. | Neemox (Neem Based Herbal Pesticide)         | 12. | Safayo (Organic Pesticide)                                 |
| 13. | Vat (Herbal Pesticide-Like Acephate)         | 14. | Sective (Organic Pesticide GR.)                            |
| 15. | Forato-4 (Herbal+Bio Stimulant)-100% Organic | 16. | Vakil-3D (Herbal Pesticide + Fungicide + Bio Stimulant)    |
| 17. | Dokamar-GR (Organic Pesticide Granules)      |     |  |

### II. Range of Organic Fungicide:

|    |                                      |    |                             |
|----|--------------------------------------|----|-----------------------------|
| 1. | Fungi Plus (Organic Fungicide)       | 2. | Volvino (Organic Fungicide) |
| 3. | Adhunic (New Organic Fungicide)      | 4. | BIO-M-45 (Bio Fungicide)    |
| 5. | Beej Rakshak (Seed Treatment Powder) |    |                             |

### III. Range of Organic Plant Growth Promoter:

|     |                                |     |  |
|-----|--------------------------------|-----|--|
| 1.  | Vakil (Bio-Stimulant)          | 2.  | Mr. India (Flowering And Growth Stimulant) |
| 3.  | Maharathi                      | 4.  | Signatic (Flowering And Growth Stimulant)  |
| 5.  | Diamond (Growth Promoter)      | 6.  | Humisik-12% ( Liquid.)                     |
| 7.  | Voom Plus (Nitrobenzene)       | 8.  | Jiraking (Growth Promoter For Cumin )      |
| 9.  | Humic-95                       | 10. | Sulpho-100                                 |
| 11. | Siktone (Plant Micro Nutrient) | 12. | Sikzyme Plus (Growth Promoter)             |



|     |         |     |             |
|-----|---------|-----|-------------|
| 13. | Vibrant | 14. | Mogambo     |
| 15. | Trap In | 16. | Drip Master |

#### IV. Range of Animal Repellant:

|    |             |    |            |
|----|-------------|----|------------|
| 1. | Bhagam Bhag | 2. | Nil Master |
|----|-------------|----|------------|

#### V. Range of Pesticide Products:

|     |  |     |   |
|-----|--|-----|---|
| 1.  | Aceper (Acetamipride 1.1%+Cypermethrin 5.5% EC)        | 2.  | Alpha-5 (Alphacypermethrin 5% WP)                 |
| 3.  | Alpha-10 (Alphamethrin 10% SC)                         | 4.  | Alfasik (Alphamethrin 10% EC)                     |
| 5.  | Azasik (Azadiractin 0.03% (300 PPM))                   | 6.  | Bansik-GR (Chloropyriphos 10% GR)                 |
| 7.  | Benesik (Permethrin 25% EC)                            | 8.  | Bifen-8 (Bifenthrin 8% SC)                        |
| 9.  | Bifeno (Bifenthrin 2.5% EC)                            | 10. | Bifensik (Bifenthrin 10% EC)                      |
| 11. | Bufisik (Buprofezin 22% + Fipronil 3% SC)              | 12. | Buprosik (Buprofezin 25% SC)                      |
| 13. | CarboSik (Carbosulfan 25% EC)                          | 14. | Cartap-75 (Cartap Hydrochloride 75% SG)           |
| 15. | Cartsik (Cartap Hydrochloride 50% SP)                  | 16. | Chloro-DP (Chloropyriphos 1.5% DP)                |
| 17. | Chlorsik (Chlorpyrifos 50% EC)                         | 18. | Chlothrin (Chlorpyrifos 16% + Alphamethrin 1% EC) |
| 19. | Congo (Fipronil 40% + Imidacloprid 40% WG)             | 20. | Cyprosik (Profenofos 40% Cypermethrin 4% EC)      |
| 21. | Deltasik (Deltamethrin 11% EC)                         | 22. | Dicet (Difenthiuron 40.1% + Acetamiprid 3.9% WP)  |
| 23. | Benzomax (Emamectin Benzoate 3% + Thiamethoxam 12% WG) | 24. | Femasik (Emamectin 1.5% + Fipronil 3.5% SC)       |
| 25. | Fepro 2.92 (Fipronil 2.92% EC)                         | 26. | Fiprosik (Fiprosik 0.3% GR)                       |
| 27. | Fipro WG (Fipronil 80% WG)                             | 28. | Flubensik (Flubendiamide 39.35% SC)               |
| 29. | Khanjar (Emamectin 1.9% EC)                            | 30. | Lacycap (Lambda cyhalothrin 4.9% CS)              |
| 31. | Lemsik (Lambdacyhalothrin 5% EC)                       | 32. | Lenocet – 505 (Chlo 50% + Cyper 5% EC)            |
| 33. | Malasik (Malathion 50% EC)                             | 34. | Midapower (Imidacloprid 70% WS)                   |
| 35. | Mida FS (Imidacloprid 48% FS)                          | 36. | Midasik (Imidacloprid 30.5% SC)                   |
| 37. | Midaton (Imidacloprid 75% WG)                          | 38. | Midhex (Imida 18.5% + Hexa 1.5% FS)               |
| 39. | Mitesik (Propargite 57% EC)                            | 40. | Neemsik (Azadiractin 1% EC)                       |
| 41. | O-claim (Emamectin Benzoate 5% SG)                     | 42. | Olo-SC (Diafenthiuron 47.8% SC)                   |
| 43. | Olosik (Diafenthiuron 50% WP)                          | 44. | Propisik (Propiconazole 25% EC)                   |
| 45. | Prosik (Profenophos 50% EC)                            | 46. | Sikquin-DP (Quinalphos 1.5% DP)                   |

|     |  |     |                                     |
|-----|--|-----|-------------------------------------|
| 47. | Sikko-DDVP (Dichlorous 76% EC)                               | 48. | Sikkoban (Chlorpyriphos 20% EC)     |
| 49. | Sikkocil (Monocrotophos 36% SL)                              | 50. | Sikkofen-DP (Fenvalerate 0.4% DP)   |
| 51. | Sikkofen (Fenvalerate 20% EC)                                | 52. | Sikkofol (Dicofol 18.5% EC)         |
| 53. | Sikkomida (Imidacloprid 17.8% SL)                            | 54. | Sikkorin-10 (Cypermethrin 10% EC)   |
| 55. | Sikkorin (Cypermethrin 25% EC)                               | 56. | Sikkorin-DP (Cypermethrin 0.25% DP) |
| 57. | Sikkovant (Indoxacarb 14.5% SC)                              | 58. | Siklane (Isoprothiolane 40% EC)     |
| 59. | Sikmite (Ethion 50% EC)                                      | 60. | Sikphate (Acephate 95% SG)          |
| 61. | Siknil (Fipronil 5% SC)                                      | 62. | Sikprid (Acetamiprid 20% SP)        |
| 63. | Sikquin (Quinalphos 25% EC)                                  | 64. | Siktara (Thimethoxam 25% WG)        |
| 65. | Sikthen (Acephate 75% SP)                                    | 66. | Sikthim (Thiamethoxam 30% FS)       |
| 67. | Smosik (Cypermethrin 3% Smoke Generator)                     | 68. | Spinosik (Spinosad 45% SC)          |
| 69. | Thialem (Thiamethoxam 12.6% + Lambda<br>Cyhalothrin 9.5% ZC) | 70. | Trisik (Trizophos 40% EC)           |

#### VI. Range of Fungicide Products:

|     |  |     |   |
|-----|--|-----|---|
| 1.  | Azotab (Azoxystrobin 11% + Tabuconazole 18.3% SC)      | 2.  | Tezubo (Azoxystrobin 12.5% + Tabuconazole 12.5% SC) |
| 3.  | Azodi (Azoxystrobin 18.2% + Difenconazole 11.4% SC)    | 4.  | Azobin (Azoxystrobin 23% SC)                        |
| 5.  | Bluecarb (Copper Oxychloride 54% + Carbendazim 18% WP) | 6.  | Blue-DG (Copper Oxychloride 50% WDG)                |
| 7.  | Bluesik (Copper Oxychloride 50% WP)                    | 8.  | Moxride (Copper Oxychloride 56% OP)                 |
| 9.  | Carbenda-G (Carbendazim 5% GR)                         | 10. | Carzeb-GR (Carbendazim 1.92% + Mancozeb 10.08% GR)  |
| 11. | Carbensik (Carbendazim 46.27% SC)                      | 12. | Sikstin (Carbendazim 50% WP)                        |
| 13. | Carmasik (Carbendazim 25% + Mancozeb 50% WS)           | 14. | Combosik (Carbendazim 12% + Mancozeb 63% WP)        |
| 15. | Dizone (Difenconazole 25% EC)                          | 16. | Hevasik (Hexaconazole 5% + Validamycin 2.5% SC)     |
| 17. | Hexar (Hexaconazole 2% SC)                             | 18. | Hexasik (Hexaconazole 5% EC)                        |
| 19. | Sikkotaf (Hexaconazole 5% SC)                          | 20. | Taf – 75 (Hexaconazole 75% WG)                      |
| 21. | Siklane (Isoprothiolane 40% EC)                        | 22. | Memsik (Metalaxyl 8% + Mancozeb 64% WP)             |
| 23. | Metasik (Metalaxyl 35% WS)                             | 24. | Sikkozeb (Mancozeb 75% WP)                          |

|     |   |     |   |
|-----|---|-----|---|
| 25. | Propisik (Propiconazole 25% EC)               | 26. | Prodi (Propiconazole 13.9% + Difenoconazole 13.9% EC) |
| 27. | Siksulf (Sulphur 80% WP)                      | 28. | Sulf Power (Sulphur 55.16% SC)                        |
| 29. | Sulsik (Sulphur 80% WDG)                      | 30. | Sulpho (Sulphur 22% SC)                               |
| 31. | Sulpho-SC (Sulphur 40% SC)                    | 32. | Tabu Plus (Tabuconazole 25.9% EC)                     |
| 33. | Tacasik (Tabuconazole 6.7% + Captan 26.9% SC) | 34. | Tebusik (Tabuconazole 10% + Sulphur 65% WG)           |
| 35. | Tebu-25 (Tabuconazole 25% WG)                 | 36. | Topsik (Thiophanate Methyl 70% WP)                    |
| 37. | Tritosik (Tricyclozole 70% WG)                | 38. | Trihex (Tricyclozole 45% + Hexaconazole 10% WG)       |
| 39. | Trimasik (Tricyclozole 18% + Mancozeb 62% WP) | 40. | Validasik (Validamycin 3% L)                          |

**VII. Range of Plant Growth Regulator:**

|    |                                     |    |                                       |
|----|-------------------------------------|----|---------------------------------------|
| 1. | Ethesik (Ethephon 39% SL)           | 2. | Gibrasik (Gibberallic Acid 0.001% SL) |
| 3. | Gibro (Gibberallic Acid 0.0186% SP) | 4. | Siculan (Triacontanol 0.05% EC)       |

**VIII. Range of Fertilizers:**

|     |                     |     |                          |
|-----|---------------------|-----|--------------------------|
| 1.  | BAP                 | 2.  | Bio Star                 |
| 3.  | Bhumi Star          | 4.  | Sikko prom               |
| 5.  | Black Suriya        | 6.  | Vasool                   |
| 7.  | Vakil Gr            | 8.  | Sikko Fast               |
| 9.  | Chelated Fertilizer | 10. | NPK Fertilizer           |
| 11. | Sulpher Fertilizer  | 12. | Water Soluble Fertilizer |

**IX. Range of Seeds:**

|     |              |     |                 |
|-----|--------------|-----|-----------------|
| 1.  | Bajra        | 2.  | Corriander      |
| 3.  | Cotton BG-II | 4.  | Cotton Research |
| 5.  | Ground Nut   | 6.  | Maize           |
| 7.  | Moong        | 8.  | Rajka Bajri     |
| 9.  | Sesame       | 10. | Tur             |
| 11. | Wheat        | 12. | Water Mallon    |
| 13. | Valor        | 14. | Tomato          |
| 15. | Tandarjo     | 16. | Sponge Gaurd    |





|     |              |     |              |
|-----|--------------|-----|--------------|
| 17. | Ridge Gaurd  | 18. | Palak        |
| 19. | Padadi       | 20. | Onion        |
| 21. | Cluster Bean | 22. | Cucumber     |
| 23. | Cawpea       | 24. | Chilly       |
| 25. | Carrot       | 26. | Cabbage      |
| 27. | Brinjal      | 28. | Bottle Guard |
| 29. | Bitter Guard | 30. | Bhindi       |

## COMPETITIVE STRNGTH

### Vast experience over 23 years with sound market knowledge

Our promoters are having experience of more than 23 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 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.

## 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.

## COLLABORATIONS

Our Company has not entered into any collaboration agreements as on date of this Letter of Offer.

## OUR RAW MATERIALS

**Pesticide Unit:** Our major raw material for Organic Pesticides: Castor Oil, Alcolide, Nim-Oil/Neem Extract, Dhatura Extract, Naffat Valley Extract, Aloveida and other solvent mix.

Organic Fungicides: Lantana Camara & Fatty Acid

Chemical Pesticides: Solvent and Filler Material- DMSO, DMF, Xylene, Acitone, Silica and China Clay.

**Fertilizer Unit:** Poultry Manure, Gypsum, Carbon, Castor Cake, Benotimite, Single Surphur Phosphate, Dolomite, Farm manure etc.

The requirement of raw material is also seasonal which can be bifurcated on monthly basis:

- Pick Season: May to August
- edium: September to November
- Medium to Slack: December to March

All the raw materials are available on door delivery basis and almost all the raw material suppliers are situated within 10 to 200 kms from our factory unit.

## SWOT ANALYSIS

### Strengths

- The Promoters have been involved in the agro chemical business for more than 23 years
- The manufacturing 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.

### Weaknesses

- 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.

### Threats

- The generic threat of economic slowdown exits, which may 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.

### Opportunities

- 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.



## REVENUE FROM OPERATION:

Our Company sales its goods in Domestic as well as International Market. The details of geographic revenue is provided as under;

(₹ in Lakh)

| Particulars                                  | For the period ended on September 30, 2024 | For the year ended on March 31, |                 |                 |
|--|--|---------------------------------|-----------------|-----------------|
|  |  | 2024                            | 2023            | 2022            |
| Domestic                                     | 3016.88                                    | 6,052.27                        | 4,568.39        | 5,102.64        |
| Export (including deemed export through SEZ) | 102.39                                     | 76.44                           | 377.80          | -               |
| <b>Total</b>                                 | <b>3,119.27</b>                            | <b>6,128.71</b>                 | <b>4,946.19</b> | <b>5,102.64</b> |

## COMPETITION

We operate in a highly competitive market and there are large numbers of players in organized sector as well as in unorganized sector. Our competition depends on the products being offered by various companies in the organized segment besides several other factors like quality, price, and timely delivery. Competition emerges not only from organized sector but also from the unorganized sector and from both small and big regional and National players. Our experience in this business has enabled us to provide quality products in response to customer's demand for best quality.

## END USERS

We sold our Products to Farmers, who are end user.

## MARKETING

Our success lies in the strength of our relationship with our over 400 reputed dealers who have been associated with our Company for a long period. We do marketing of our products by Television Advertisement, Poster, Banner, and as per requirement of our Area Managers we conduct Road Show – “Rath Show” in various cities of India and carry out Field work activity programmes for Farmers, one to one Meeting with Farmers and giving Live Demonstrations of our products.

Our company has appointed Mr. Chimanbhai Ranpariya as Marketing Manager who looks after our marketing department.

In addition, our company has appointed General Manager and Area Manager Officers, representative who are engaged in various field work and helps us to increase top line of our Company. Our Promoter Mr. Jayantibhai Kumbhani and Mr. Ghanshyambhai Kumbhani through their vast experience and good relations with clients owing to timely and quality delivery of products plays an instrumental role in creating and expanding a work platform for our Company. Our clients are spreader all over India; However, our majority of clients are located in the state of Gujarat, Rajasthan, Maharashtra, Uttar Pradesh, West Bengal etc. We have the locational advantage as regards to our manufacturing facility located in outskirts of the Ahmedabad on Sanand Highway, which is known for its agricultural and industrial products. Based on experience of our promoters and market conditions, we do keep our buffer stock. The whole process of Marketing and Distribution arrangement is summarized below;

### Fertilizer(s)



### Pesticide(s)



## INSURANCE

Our Company has insurance coverage which we consider reasonably sufficient to cover all normal risks associated with our operations and which we believe is in accordance with the industry standards. We have taken Standard Fire & Special



Perils Policy for a substantial majority of our assets at our office and factory. Our policies are subject to customary exclusions and customary deductibles. We believe that our insurance coverage is adequate for our business needs and operations. We will continue to review our policies to ensure adequate insurance coverage is maintained.

### INTELLECTUAL PROPERTY

| Sr. No. | Brand Name / Logo Trademark   | Registration and Class Number  | Owner                    | Date of Application | Authority                      | Current Status | Date of Expiry    |
|---------|---|--|--------------------------|---------------------|--------------------------------|----------------|-------------------|
| 1.      | Approval for using below mark as registered trade mark<br><b>BHAGAM BHAG</b>  | 2618595 under Class No. 5 (Organic Animal Repellent, Pesticides and Insecticides)            | Sikko Industries Limited | October 25, 2013    | Registrar Of Trademark, Mumbai | Registered     | October 25, 2033  |
| 2.      | Approval for using below mark as registered trade mark<br><b>BHAGAM BHAG</b>  | 3325301 under Class No. 1 (Chemicals Used in Agriculture, Horticulture and Bio Chemicals)    | Sikko Industries Limited | August 02, 2016     | Registrar Of Trademark, Mumbai | Registered     | August 02, 2026   |
| 3.      | Approval for using below mark as registered trade mark<br><b>B.A.P.</b>   | 2092824 under Class No. 1 (Fertilizer, Soil, Conditioner, Agrochemicals included in Class-1) | Sikko Industries Limited | February 1, 2011    | Registrar Of Trademark, Mumbai | Registered     | February 1, 2031  |
| 4.      | Approval for using below mark as registered trade mark<br> | 1771330 under Class No. 5 (Pesticides, Herbicides and fungicides included in Class-5)        | Sikko Industries Limited | January 6, 2009     | Registrar Of Trademark, Mumbai | Registered     | January 6, 2029   |
| 5.      | Approval for using below mark as registered trade mark<br><b>MUNDAMAR</b>   | 3181785 under Class No. 5 (Pesticides, Vermicides Included In Class 5)                       | Sikko Industries Limited | February 10, 2016   | Registrar Of Trademark, Mumbai | Registered     | February 10, 2026 |
| 6.      | Approval for using below mark as registered trade mark<br><b>MUNDAMAR</b>   | 5058756 under Agro Chemicals, Fertilizers, Manure Included In Class - 1                      | Sikko Industries Limited | July 26, 2021       | Registrar Of Trademark, Mumbai | Registered     | July 26, 2031     |
| 7.      | Approval for using below mark as registered trade mark<br><b>KHANJAR</b>  | 5058757 under Agro Chemicals, Fertilizers, Manure Included In Class - 1                      | Sikko Industries Limited | July 26, 2021       | Registrar Of Trademark, Mumbai | Registered     | July 26, 2031     |
| 8.      | Approval for using below mark as registered trade mark<br><b>BHOOMI STAR</b>  | 3512131 under Class No. 1 (Agro Chemicals, Bio Chemicals, Fertilizers, Manure)               | Sikko Industries Limited | March 22, 2017      | Registrar Of Trademark, Mumbai | Registered     | March 22, 2027    |
| 9.      | Approval for using below mark as registered trade mark  | 3509596 under Class No. 5 (Pesticides,   | Sikko Industries Limited | March 17, 2017      | Registrar Of Trademark, Mumbai | Registered     | March 17, 2027    |

| Sr. No. | Brand Name / Logo Trademark   | Registration and Class Number   | Owner                    | Date of Application | Authority                      | Current Status | Date of Expiry    |
|---------|---|---|--------------------------|---------------------|--------------------------------|----------------|-------------------|
|         | MAHARATHI   | insecticides and animal repellent)  |                          |                     |                                |                |                   |
| 10.     | Approval for using below mark as registered trade mark<br>   | 2305134 under Class No. 1 (Agro Chemicals and Fertilizers)                                | Sikko Industries Limited | March 03, 2012      | Registrar Of Trademark, Mumbai | Registered     | March 03, 2032    |
| 11.     | Approval for using below mark as registered trade mark<br><b>DR. AGRI</b>   | 3469149 under Class No. 5 (Organic Animal repellent, Pesticides And insecticides)         | Sikko Industries Limited | January 30, 2017    | Registrar Of Trademark, Mumbai | Registered     | January 30, 2027  |
| 12.     | Approval for using below mark as registered trade mark<br><b>BHIMA</b>  | 3469148 under Class No. 1 (Chemicals Used in Agriculture, Horticulture and bio Chemicals) | Sikko Industries Limited | January 30, 2017    | Registrar Of Trademark, Mumbai | Registered     | January 30, 2027  |
| 13.     | Approval for using below mark as registered trade mark<br><b>GATUR 71</b>   | 3478886 under Class No. 5 (Pesticides And insecticides, Animal repellent)                 | Sikko Industries Limited | February 10, 2017   | Registrar Of Trademark, Mumbai | Registered     | February 10, 2027 |
| 14.     | Approval for using below mark as registered trade mark<br><b>VASOOL</b>   | 3478921 under Class No. 1 (Agro Chemicals And fertilizer)                                 | Sikko Industries Limited | February 10, 2017   | Registrar Of Trademark, Mumbai | Registered     | February 10, 2027 |
| 15.     | Approval for using below mark as registered trade mark<br> | 4370041 under Class No. 1 (Fertilizers And agro Chemicals)                                | Sikko Industries Limited | December 06, 2019   | Registrar Of Trademark, Mumbai | Registered     | December 06, 2029 |
| 16.     | Approval for using below mark as registered trade mark<br> | Refer "Table A" provided hereunder  | Sikko Industries Limited | July 10, 2015       | Registrar Of Trademark, Mumbai | Registered     | July 10, 2025     |
| 17.     | Approval for using below mark as registered trade mark<br><b>MUNDAMAR</b>   | 5058756 under Class No. 1 (Fertilizers And agro Chemicals)                                | Sikko Industries Limited | July 26, 2021       | Registrar Of Trademark, Mumbai | Registered     | July 26, 2031     |
| 18.     | Approval for using below mark as registered trade mark.   | 5058757 under Class No. 1   | Sikko Industries Limited | July 26, 2021       | Registrar Of Trademark,        | Registered     | July 26, 2031     |





| Sr. No. | Brand Name / Logo Trademark   | Registration and Class Number  | Owner                    | Date of Application | Authority                      | Current Status | Date of Expiry   |
|---------|---|--|--------------------------|---------------------|--------------------------------|----------------|------------------|
|         | <b>KHANJAR</b>  | (Fertilizers And agro Chemicals)   |                          |                     | Mumbai                         |                |                  |
| 19.     | Approval for using below mark as registered trade mark <b>ZUMZUM</b>  | 5451030 under Class No. 1 (Fertilizers And agro Chemicals)                         | Sikko Industries Limited | May 17, 2022        | Registrar Of Trademark, Mumbai | Registered     | May 17, 2032     |
| 20.     | Approval for using below mark as registered trade mark <b>ZUMZUM</b>  | 5451031 under Class No. 5 (Pesticides And insecticides, Animal repellent)          | Sikko Industries Limited | May 17, 2022        | Registrar Of Trademark, Mumbai | Registered     | May 17, 2032     |
| 21.     | Approval for using below mark as registered trade mark <b>VAKIL</b>   | 5065562 under Class No. 1 (Fertilizers And agro Chemicals)                         | Sikko Industries Limited | July 29, 2021       | Registrar Of Trademark, Mumbai | Registered     | July 29, 2031    |
| 22.     | Approval for using below mark as registered trade mark LOGO WITH TAG LINE "HAR KISAN KI DHADKAN"<br>  | 5420822 under Class No. 5 (Pesticides And insecticides, Animal repellent)          | Sikko Industries Limited | April 23, 2022      | Registrar Of Trademark, Mumbai | Registered     | April 23, 2032   |
| 23.     | Approval for using below mark as registered trade mark LOGO WITH TAG LINE "HAR KISAN KI DHADKAN"<br> | 5420824 under Class No. 7 Agro Equipments, Machinery and parts include             | Sikko Industries Limited | April 23, 2022      | Registrar Of Trademark, Mumbai | Registered     | April 23, 2032   |
| 24.     | Approval for using below mark as registered trade mark LOGO WITH TAG LINE "HAR KISAN KI DHADKAN"<br> | 5420823 under Class No. 31 All Type of Seeds                                       | Sikko Industries Limited | April 23, 2022      | Registrar Of Trademark, Mumbai | Registered     | April 23, 2032   |
| 25.     | Approval for using below mark as registered trade mark LOGO WITH TAG LINE "KILL KILL"<br>            | 5794842 under Class No. 5 Pesticides, Insecticides, Herbicides Included in Class-5 | Sikko Industries Limited | February 6, 2023    | Registrar Of Trademark, Mumbai | Registered     | February 6, 2033 |

Table – A





| Sr. No. | Registration No.  | Owner                    | Class of Trademark | Validity                  |
|---------|---|--------------------------|--------------------|---------------------------|
| 1.      | TradeMark No. 3005148 issued vide certificate No. 2433160 dated July 10, 2015 | Sikko Industries Limited | Class 4            | Valid up to July 10, 2025 |
| 2.      | TradeMark No. 3005149 issued vide certificate No. 1422434 dated July 10, 2015 | Sikko Industries Limited | Class 6            | Valid up to July 10, 2025 |
| 3.      | TradeMark No. 3005151 issued vide certificate No. 1740425 dated July 10, 2015 | Sikko Industries Limited | Class 08           | Valid up to July 10, 2025 |
| 4.      | TradeMark No. 3005153 issued vide certificate No. 1740763 dated July 10, 2015 | Sikko Industries Limited | Class 10           | Valid up to July 10, 2025 |
| 5.      | TradeMark No. 3005154 issued vide certificate No. 2433161 dated July 10, 2015 | Sikko Industries Limited | Class 11           | Valid up to July 10, 2025 |
| 6.      | Trademark No. 3005156 issued vide certificate No. 1372465 dated July 10, 2015 | Sikko Industries Limited | Class 13           | Valid up to July 10, 2025 |
| 7.      | TradeMark No. 3005158 issued vide certificate No. 1414617 dated July 10, 2015 | Sikko Industries Limited | Class 15           | Valid up to July 10, 2025 |
| 8.      | TradeMark No. 3005160 issued vide certificate No. 1414622 dated July 10, 2015 | Sikko Industries Limited | Class 17           | Valid up to July 10, 2025 |
| 9.      | TradeMark No. 3005161 issued vide certificate No. 1414616 dated July 10, 2015 | Sikko Industries Limited | Class 18           | Valid up to July 10, 2025 |
| 10.     | TradeMark No. 3005162 issued vide certificate No. 2081257 dated July 10, 2015 | Sikko Industries Limited | Class 19           | Valid up to July 10, 2025 |
| 11.     | TradeMark No. 3005163 issued vide certificate No. 1415280 dated July 10, 2015 | Sikko Industries Limited | Class 20           | Valid up to July 10, 2025 |
| 12.     | TradeMark No. 3005165 issued vide certificate No. 1372474 dated July 10, 2015 | Sikko Industries Limited | Class 22           | Valid up to July 10, 2025 |
| 13.     | TradeMark No. 3005166 issued vide certificate No. 1372473 dated July 10, 2015 | Sikko Industries Limited | Class 23           | Valid up to July 10, 2025 |
| 14.     | TradeMark No. 3005167 issued vide certificate No. 1722664 dated July 10, 2015 | Sikko Industries Limited | Class 24           | Valid up to July 10, 2025 |
| 15.     | TradeMark No. 3005169 issued vide certificate No. 1379753 dated July 10, 2015 | Sikko Industries Limited | Class 26           | Valid up to July 10, 2025 |
| 16.     | TradeMark No. 3005170 issued vide certificate No. 1379926 dated July 10, 2015 | Sikko Industries Limited | Class 27           | Valid up to July 10, 2025 |
| 17.     | TradeMark No. 3005174 issued vide certificate No. 1379673 dated July 10, 2015 | Sikko Industries Limited | Class 31           | Valid up to July 10, 2025 |
| 18.     | TradeMark No. 3005176 issued vide certificate No. 1379711 dated July 10, 2015 | Sikko Industries Limited | Class 33           | Valid up to July 10, 2025 |
| 19.     | TradeMark No. 3005177 issued vide certificate No. 1403297 dated July 10, 2015 | Sikko Industries Limited | Class 34           | Valid up to July 10, 2025 |
| 20.     | TradeMark No. 3005178 issued vide certificate No. 1402676 dated July 10, 2015 | Sikko Industries Limited | Class 35           | Valid up to July 10, 2025 |
| 21.     | TradeMark No. 3005179 issued vide certificate No. 1736694 dated July 10, 2015 | Sikko Industries Limited | Class 36           | Valid up to July 10, 2025 |
| 22.     | Trademark No. 3005180 issued vide certificate No. 1402773 dated July 10, 2015 | Sikko Industries Limited | Class 37           | Valid up to July 10, 2025 |
| 23.     | Trademark No. 3005181 issued vide certificate No. 1402833 dated July 10, 2015 | Sikko Industries Limited | Class 38           | Valid up to July 10, 2025 |
| 24.     | Trademark No. 3005183 issued vide certificate No. 1402779 dated July 10, 2015 | Sikko Industries Limited | Class 40           | Valid up to July 10, 2025 |
| 25.     | Trademark No. 3005184 issued vide certificate No. 1402745 dated July 10, 2015 | Sikko Industries Limited | Class 41           | Valid up to July 10, 2025 |
| 26.     | Trademark No. 3005185 issued vide certificate No. 1402674 dated July 10, 2015 | Sikko Industries Limited | Class 42           | Valid up to July 10, 2025 |
| 27.     | Trademark No. 3005186 issued vide certificate No. 1408092 dated July 10, 2015 | Sikko Industries Limited | Class 43           | Valid up to July 10, 2025 |



| Sr. No. | Registration No.   | Owner                    | Class of Trademark | Validity                  |
|---------|--|--------------------------|--------------------|---------------------------|
| 28.     | Trademark No. 3005187 issued vide certificate No. 1408240 dated December 9, 2016 | Sikko Industries Limited | Class 44           | Valid up to July 10, 2025 |
| 29.     | Trademark No. 3005188 issued vide certificate No. 1443002 dated July 10, 2015    | Sikko Industries Limited | Class 45           | Valid up to July 10, 2025 |

## OUR PROPERTIES

We own and lease certain properties for our corporate operations and projects. The brief details of some of the material properties owned/leased by our Company are set out below:

| Name of the Seller / Lessor  | Location  | Area            | Purpose                   | Purchase / On Rent / Leased | Rent / Consideration (₹ in Lakh) | Date of Agreement  | Validity of Agreement |
|--|---|-----------------|---------------------------|-----------------------------|----------------------------------|--------------------|-----------------------|
| Mr. Tanwir Abdulkadar Rushnaiwala, Proprietor of Sunpack Industries Unit - 2 | <b>Ambica Industrial Estate</b><br>55-B, Ambica Industrial Estate, Sanand Viram Gam Highway, At-Iyava, Dist-Ahmedabad | 1500 Sq. Mtrs   | Factory – Pesticides Unit | Purchase                    | 1.50                             | September 12, 2007 | -                     |
| Mr. Tanwir Abdulkadar Rushnaiwala, Proprietor of Sunpack Industries          | <b>Ambica Industrial Estate</b><br>55-A, Ambica Industrial Estate, Sanand Viram Gam Highway, At-Iyava, Dist-Ahmedabad | 2155 Sq. Mtrs   | Factory – Pesticides Unit | Purchase                    | 21.00                            | September 12, 2007 | -                     |
| Parasnath (Vejalpur) Cooperative Housing Society Limited                     | <b>Iskon Elegence</b><br>508, Iskon Elegence, Nr. Jain Temple, S. G. Highway, Ahmedabad – 380 051                     | 4220 Sq. Fts.   | Registered Office         | Purchase                    | 69.63                            | October 30, 2010   | -                     |
| Mr. Umang Thakkar, C/o. Dharmdev Housing Corporation                         | <b>Sahjanand Estate</b><br>95, Sahjanand Estate, Opp Bhavani Motors, Sarkhej Dist-Ahmedabad                           | 909.94 Sq. Fts. | Godown                    | Purchase                    | 3.37                             | December 13, 2003  | -                     |
| Mr. Hadlahalli Subbeggowda Venkatesh   | <b>Iskon Elegence</b><br>507, Iskon Elegence, Nr. Jain Temple, S. G. Highway, Ahmedabad – 380051.                     | 1610 Sq. Fts.   | Office Premise            | Purchase                    | 150                              | March 03, 2023     | -                     |

## EXPORTS & EXPORTS OBLIGATIONS

We export our Products. As on date, our Company does not have any export obligation.



## OUR MANAGEMENT

Our Articles of Association require us to have not less than 3 Directors and not more than 15 Directors, subject to the applicable provisions of the Companies Act, 2013. Set forth below are details regarding our Board as on the date of this Letter of Offer.

We currently have Six (6) directors on our Board.

- |                               |   |                                |
|-------------------------------|---|--------------------------------|
| 1. Mr. Ghanshyambhai Kumbhani | : | Chairman & Whole-Time Director |
| 2. Mr. Jayantibhai Kumbhani   | : | Managing Director              |
| 3. Mrs. Alpaben Kumbhani      | : | Executive Director             |
| 4. Mrs. Mamtaben Thumbar      | : | Independent Director           |
| 5. Mr. Hasmukh Vavaiya        | : | Independent Director           |
| 6. Mr. Ashvinkumar Trapasiya  | : | Independent Director           |

The Following table sets forth details regarding the Board of Directors as of the date of this Letter of offer.

| MR. GHANSHYAM MOHANBHAI KUMBHANI               |   |
|--|---|
| <b>Father's Name</b>                           | Late Mr. Mohanbhai Nanjibhai Kumbhani   |
| <b>Present Address</b>                         | F 67/47, Sterling City, Nr Prakruti Bunglow, Bopal, Daskroi, Ahmedabad, Gujarat - 380 058, India  |
| <b>Date of Birth</b>                           | August 12, 1963   |
| <b>Age</b>                                     | 60 years  |
| <b>Designation</b>                             | Chairman & Whole-Time Director  |
| <b>Status</b>                                  | Executive   |
| <b>DIN</b>                                     | 00587855  |
| <b>Occupation</b>                              | Business  |
| <b>Nationality</b>                             | Indian  |
| <b>Qualification</b>                           | Bachelor Degree of Science in Chemistry from the Sardar Patel University, Gujarat   |
| <b>No. of Years of Experience</b>              | 38 years of experience in agricultural field including 26 years of experience in agricultural business  |
| <b>Date of Appointment</b>                     | January 1, 2010   |
| <b>Present Term of Appointment</b>             | He holds the office for the period of five (5) years w.e.f. October 1, 2021, liable to retire by rotation.  |
| <b>Other Directorships/ Designated Partner</b> | <ul style="list-style-type: none"> <li>• Sikko Trade Link Private Limited</li> <li>• Morukon Industries Private Limited</li> <li>• Siganjka Industries Private Limited</li> </ul> |

| MR. JAYANTIBHAI MOHANBHAI KUMBHANI             |   |
|--|---|
| <b>Father's Name</b>                           | Late Mr. Mohanbhai Nanjibhai Kumbhani   |
| <b>Present Address</b>                         | 8, Pooja Bungalows, Opp. Govt, Tubewell, Bopal, Ahmedabad, Gujarat - 380058, India  |
| <b>Date of Birth</b>                           | April 10, 1966  |
| <b>Age</b>                                     | 58 years  |
| <b>Designation</b>                             | Managing Director   |
| <b>Status</b>                                  | Executive   |
| <b>DIN</b>                                     | 00587807  |
| <b>Occupation</b>                              | Business  |
| <b>Nationality</b>                             | Indian  |
| <b>Qualification</b>                           | Bachelor Degree of Science in Agriculture from the Gujarat Agricultural University  |
| <b>No. of Years of Experience</b>              | 35 years of experience in agricultural field including 26 years of experience in agricultural business  |
| <b>Date of Appointment</b>                     | January 15, 2003  |
| <b>Present Term of Appointment</b>             | He holds the office for the period of five (5) years w.e.f. October 1, 2021, liable to retire by rotation.  |
| <b>Other Directorships/ Designated Partner</b> | <ul style="list-style-type: none"> <li>• Sikko Trade Link Private Limited</li> <li>• Agro Chemicals Manufacturers Association of India</li> <li>• Siganjka Industries Private Limited</li> <li>• Chamber For Agri Input Protection</li> <li>• Morukon Industries Private Limited</li> </ul> |



| <b>MRS. ALPABEN JAYANTIBHAI KUMBHANI</b>       |   |
|--|---|
| <b>Father's Name</b>                           | Mr. Ranchhodbhai Boghabhai Chovatiya  |
| <b>Address</b>                                 | 8, Pooja Bunglows, Opp. Govt Tubewell, B/H Vanza Hospital, Bopal, Ahmedabad, Gujarat – 380 058, India       |
| <b>Date of Birth</b>                           | November 05, 1973   |
| <b>Age</b>                                     | 50 years  |
| <b>Designation</b>                             | Executive Director  |
| <b>Status</b>                                  | Executive   |
| <b>DIN</b>                                     | 00587848  |
| <b>Occupation</b>                              | Business  |
| <b>Nationality</b>                             | Indian  |
| <b>Qualification</b>                           | Bachelor of Commerce  |
| <b>No. of Years of Experience</b>              | 14 years of experience of general administration Work.  |
| <b>Date of Appointment</b>                     | June 4, 2021  |
| <b>Present Term of Appointment</b>             | She holds the office for the period of five (5) years w.e.f. October 1, 2021, liable to retire by rotation. |
| <b>Other Directorships/ Designated Partner</b> | Siganjka Industries Private Limited   |

| <b>MRS. MAMTABEN HITESHBHAI THUMBAR</b>        |  |
|--|--|
| <b>Father's Name</b>                           | Mr. Jamanbhai Devarajbhai Ramani   |
| <b>Address</b>                                 | C-14, Parikrama Flat, Bopal, Ahmedabad, Gujarat – 380 058, India   |
| <b>Date of Birth</b>                           | April 16, 1981   |
| <b>Age</b>                                     | 43 years   |
| <b>Designation</b>                             | Independent Director   |
| <b>Status</b>                                  | Non-Executive  |
| <b>DIN</b>                                     | 07732851   |
| <b>Occupation</b>                              | Service  |
| <b>Nationality</b>                             | India  |
| <b>Qualification</b>                           | Bachelor Degree of Science in Chemistry  |
| <b>No. of Years of Experience</b>              | 10 years of work experience in Agricultural products and administrative work   |
| <b>Date of Appointment</b>                     | February 10, 2017  |
| <b>Present Term of Appointment</b>             | Re-Appointed for second term of five years w.e.f. February 10, 2022 to February 9, 2027 and not liable to Retire by Rotation |
| <b>Other Directorships/ Designated Partner</b> | -  |

| <b>MR. HASMUKH VELJIBHAI VAVAIYA</b>           |   |
|--|---|
| <b>Father's Name</b>                           | Mr. Veljibhai Savajibhai Vavaiya  |
| <b>Address</b>                                 | 16, Puja Appartment, Nadan Park, Bopal, Ahmedabad, Gujarat - 380 058, India   |
| <b>Date of Birth</b>                           | March 15, 1973  |
| <b>Age</b>                                     | 51 years  |
| <b>Designation</b>                             | Independent Director  |
| <b>Status</b>                                  | Non-Executive   |
| <b>DIN</b>                                     | 07807509  |
| <b>Occupation</b>                              | Service   |
| <b>Nationality</b>                             | Indian  |
| <b>Qualification</b>                           | Bachelor of Arts (English)  |
| <b>No. of Years of Experience</b>              | 34 years of work experience in his own business.  |
| <b>Date of Appointment</b>                     | May 4, 2017   |
| <b>Present Term of Appointment</b>             | Re-Appointed for second term of five years w.e.f. May 04, 2022 to May 03, 2027 and not liable to Retire by Rotation |
| <b>Other Directorships/ Designated Partner</b> | -   |



| <b>MR. ASHVINKUMAR RAMNIKBHAI TRAPASIYA</b>    |   |
|--|---|
| <b>Father's Name</b>                           | Mr. Ramnikbhai Ramjibhai Trapasiya  |
| <b>Address</b>                                 | Block-E-501, Ishvar Icon, Nikol Road Opp Sunrise Park, Nr. Jivan Twin Bungalows, Jivanvadi, Ahmedabad, Gujarat – 382 350, India |
| <b>Date of Birth</b>                           | January 27, 1995  |
| <b>Age</b>                                     | 29 years  |
| <b>Designation</b>                             | Independent Director  |
| <b>Status</b>                                  | Non-Executive   |
| <b>DIN</b>                                     | 10198672  |
| <b>Occupation</b>                              | Service   |
| <b>Nationality</b>                             | Indian  |
| <b>Qualification</b>                           | B.E. (Computer Engineering) from Gujarat Technological University   |
| <b>No. of Years of Experience</b>              | 2 years of experience in the field of technology  |
| <b>Date of Appointment</b>                     | June 13, 2023   |
| <b>Present Term of Appointment</b>             | Appointed for first term of five years w.e.f. June 13, 2023 and not liable to Retire by Rotation                                |
| <b>Other Directorships/ Designated Partner</b> | -   |

## **BRIEF BIOGRAPHIES OF DIRECTORS**

### **Mr. Ghanshyambhai Mohanbhai Kumbhani, Chairman and Whole-time Director**

Mr. Ghanshyambhai Kumbhani (DIN: 00587855) is the Chairman and Whole-time Director of our Company. He holds Bachelor Degree of Science in Chemistry from the Sardar Patel University, Gujarat. He has 38 years of experience in agricultural field including 26 years of experience in agricultural business. Mr. Ghanshyambhai Kumbhani has apt knowledge and understanding of the chemical processes that go into manufacturing and thus maintains the quality of products throughout the process in the Company. Furthermore, working experience in teams, he is well-suited to team-oriented tasks such as the design project. In our Company, he heads the Purchase, Production and Technical Departments. He was acting as Director of the Company since incorporation. He has resigned from the Directorship in the year 2007 and appointed in the year 2010. He is further appointed as the Chairman and Whole-Time Director of the Company for a period of five years w.e.f. January 12, 2017. Further, he has been re-appointed as such for a second term of five years from October 01, 2021 to September 30, 2026.

### **Mr. Jayantibhai Mohanbhai Kumbhani, Managing Director**

Mr. Jayantibhai Kumbhani (DIN: 00587807) is the Managing Director of our Company. He holds Bachelor Degree of Science in Agriculture from the Gujarat Agricultural University. Mr. Jayantibhai Mohanbhai Kumbhani is the original founder of the SIKKO GROUP. He joined our Company in the year 2003 as Director. He has 35 years of experience in agricultural field including 26 years of experience in agricultural business and hence appointed as Managing Director of the Company for a period of five years w.e.f. January 12, 2017. He looks after the marketing department, administrative and finance Department of the Company. He is also responsible for formulation of the strategies for expansion and growth of business of the Company. His skill helps the Company to maintain the healthy relationship with clients, dealers, distributors and other stakeholders of the Company. Nevertheless, his experience helps the Company to infuse latest technologies for easy manufacturing process. Further, he has been re-appointed as such for a second term of five years from October 01, 2021 to September 30, 2026.

### **Mrs. Alpaben Jayantibhai Kumbhani, Executive Director**

Mr. Alpaben Jayantibhai Kumbhani (DIN: 00587848) holds Bachelor's Degree of Commerce. She has around 14 years of experience of general administration Work. She has been initially appointed as an Additional (Non-Executive) Director of the Company w.e.f. June 04, 2021 by the board of directors in their meeting held on June 04, 2021. Further, an appointment of Mrs. Alpaben Jayantibhai Kumbhani (DIN: 00587848) was regularized at the 21<sup>st</sup> Annual General Meeting of the Members of the Company held on September 28, 2021. Later on, the designation of Mrs. Alpaben Jayantibhai Kumbhani (DIN: 00587848) has been changed from Non-Executive Director to Executive Director of the Company w.e.f. October 01, 2021 vide Special Resolution passed through Postal Ballot by the Members of the Company on October 15, 2021. She is wife of our Managing Director, Mr. Jayantibhai Kumbhani.



### **Mrs. Mamtaben Hiteshbhai Thumbar, Independent Director**

Mrs. Mamtaben Hiteshbhai Thumbar (DIN: 07732851) holds Bachelor Degree of Science in Chemistry and is having 10 years of work experience in Agricultural products and administrative work. He was originally appointed as an Independent Director w.e.f. February 10, 2017 vide Members approval in Extra-Ordinary General Meeting held on February 16, 2017. Further, she has been re-appointed as an Independent Director for a second term of five years from February 10, 2022 by the Members of the Company through Postal Ballot on October 15, 2021.

### **Mr. Hasmukh Veljibhai Vavaiya, Independent Director**

Mr. Hasmukh Veljibhai Vavaiya (DIN: 07807509), is an Independent Director of our Company. He holds degree of Bachelor of Arts (English) and is having 34 years of work experience in his own business of building materials. He is involved in his own business i.e. Vavaiya Corporation (Firm) from many years. He was originally appointed as an Additional (Independent) Director w.e.f. May 4, 2017. Later on, his designation was changed vide Members approval in Annual General Meeting held on September 29, 2017 and he was appointed as Independent Director of the Company for a period of 5 years w.e.f. May 4, 2017. Further, he has been re-appointed as an Independent Director for a second term of five years from May 04, 2022 by the Members of the Company through Postal Ballot on October 15, 2021.

### **Mr. Ashvinkumar Ramnikbhai Trapasiya, Independent Director**

Mr. Ashvinkumar Ramnikbhai Trapasiya (DIN: 10198672) holds degree of B.E. (Computer Engineering) in 2021 from Gujarat Technological University. He enjoys solving technical challenges, using creative strategies to overcome difficulties or applying their imagination to innovate new technologies that fulfil specific needs. He has overall 2 years of experience in the field of technology. He was originally appointed as an Additional (Independent) Director w.e.f. June 13, 2023. Later on, his designation was changed vide Members approval in Annual General Meeting held on September 11, 2023 and he was appointed as Independent Director of the Company for a period of 5 years w.e.f. June 13, 2023.

## **CONFIRMATION**

None of our Directors is or was a director of any company listed on any stock exchange, whose shares have been or were suspended from being traded during the five years preceding the date of this Letter of Offer, during the term of his/her directorship in such company.

None of our Director is or was a director of any listed company which has been or was delist from any stock exchange, during the term of their directorship in such company, in the last five years immediately preceding the date of filing of this Letter of Offer.

## **CORPORATE GOVERNANCE**

The provisions of the SEBI Listing Regulations and the Companies Act with respect to corporate governance are applicable to us. We are in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, Companies Act and the SEBI (ICDR) Regulations, in respect of corporate governance including constitution of our Board and Committees thereof. Our corporate governance framework is based on an effective independent Board, separation of the Board 's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

Our Board undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI Listing Regulations and the Companies Act. Our Board functions either directly, or through various committees constituted to oversee specific operational areas.

### **Committees of our Board**

In addition to the committees of our Board detailed below, our board may from time to time constitute committees for various functions.

- 1. Audit Committee**
- 2. Nomination and Remuneration Committee**
- 3. Stakeholders Relationship Committee**
- 4. Corporate Social Responsibility Committee**





Details of composition, terms of reference etc. of each of the above committees are provided hereunder.

### 1. Audit Committee:

The present constitution of the Audit Committee is as follows:

| Name of the Directors            | Designation          | Nature of Directorship |
|----------------------------------|----------------------|------------------------|
| Ashvinkumar Ramnikbhai Trapasiya | Independent Director | Chairman               |
| Hasmukh Veljibhai Vavaiya        | Independent Director | Member                 |
| Mamtaben Hiteshbhai Thumbar      | Independent Director | Member                 |
| Jayantibhai Mohanbhai Kumbhani   | Executive Director   | Member                 |

Our Company Secretary and Compliance officer act as the secretary of the Audit Committee. The scope and function of the Audit Committee and its terms of reference shall include the following:

#### Role of Committee:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a) Matters required being included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
  - b) Changes, if any, in accounting policies and practices and reasons for the same.
  - c) major accounting entries involving estimates based on the exercise of judgment by management;
  - d) significant adjustments made in the financial statements arising out of audit findings;
  - e) compliance with listing and other legal requirements relating to financial statements;
  - f) disclosure of any related party transactions;
  - g) modified opinion(s) in the draft audit report;
5. reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation or proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. approval or any subsequent modification of transactions of the listed entity with related parties;
9. scrutiny of inter-corporate loans and investments;
10. valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. evaluation of internal financial controls and risk management systems;
12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. discussion with internal auditors of any significant findings and follow up there on;
15. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
17. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. to review the functioning of the whistle blower mechanism;
19. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
21. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans /



advances / investments existing as on the date of coming into force of this provision.

22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
23. Call for comments of the auditors about internal control systems, scope of audit including the observations of the auditor and review of the financial statements before submission to the Board;
24. Further, the Audit committee is empowered to investigate any activity within its terms of reference, seek information it requires from any employee, obtain outside legal or other independent professional advice and secure attendance of outsiders with relevant expertise, if considered necessary. Apart from the above, the Audit Committee also exercises the role and powers entrusted upon it by the Board of Directors from time to time.

#### **REVIEW OF INFORMATION BY THE COMMITTEE: -**

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters/letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses;
5. The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the Audit Committee and
6. Statement of deviations:
  - a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
7. Review and monitor the auditors' independence and performance, and effectiveness of audit process;
8. Examination of the financial statement and auditors' report thereon;
9. Approval or any subsequent modification of transactions of the Company with related parties;
10. Scrutiny of inter-corporate loans and investment;
11. Valuation of undertakings or assets of the Company, wherever it is necessary;
12. Evaluation of internal financial controls and risk management systems;
13. Monitoring the end use of funds raised through public offers and related matters;
14. Any other matters as prescribed by law from time to time.

#### **POWERS OF COMMITTEE: -**

1. May call for comments of auditors about internal control system, scope of audit, including observations of auditors and review of financial statement before their submission to board;
2. May discuss any related issues with internal and statutory auditors and management of the Company;
3. To investigate into any matter in relation to above items or referred to it by Board;
4. To obtain legal or professional advice from external sources and have full access to information contained in the records of the Company;
5. To seek information from any employee;
6. To secure attendance of outsiders with relevant expertise, if it considers necessary;
7. Any other power may be delegated to the Committee by way of operation of law.

#### **Quorum and Meetings**

The audit committee shall meet as and when required to discuss and approve the items included in its role. The quorum of the meeting of the Audit Committee shall be two members or one third of the members of the audit committee, whichever is greater, subject to minimum two Independent Director shall present at the Meeting.

#### **2. Nomination and Remuneration Committee:**

The present constitution of the Nomination and Remuneration Committee is as follows:

| Name of the Directors            | Designation          | Nature of Directorship |
|----------------------------------|----------------------|------------------------|
| Hasmukh Veljibhai Vavaiya        | Independent Director | Chairperson            |
| Ashvinkumar Ramnikbhai Trapasiya | Independent Director | Member                 |
| Mamtaben Hiteshbhai Thumbar      | Independent Director | Member                 |



Our Company Secretary and Compliance officer shall act as the secretary of the Committee.

### Terms of reference

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a) use the services of an external agencies, if required;
  - b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c) consider the time commitments of the candidates.
3. formulation of criteria for evaluation of performance of independent directors and the board of directors;
4. devising a policy on diversity of board of directors;
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
6. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
7. Recommend to the board, all remuneration, in whatever form, payable to senior management.

### Quorum and Meetings

The Committee is required to meet at least once a year. Additional meetings are held for the purpose of recommending appointment/re-appointment of Directors and Key Managerial Personnel and their remuneration. The quorum necessary for a meeting of the Nomination and Remuneration Committee is one third of total members of the Nomination and Remuneration Committee or 2 members, whichever is higher, including at least one independent director in attendance.

### 3. Stakeholder Relationship Committee:

The present constitution of the Stakeholder Relationship Committee is as follows:

| Name of the Directors            | Designation          | Nature of Directorship |
|----------------------------------|----------------------|------------------------|
| Mamtaben Hiteshbhai Thumbar      | Independent Director | Chairman               |
| Ashvinkumar Ramnikbhai Trapasiya | Independent Director | Member                 |
| Hasmukh Veljibhai Vavaiya        | Independent Director | Member                 |
| Alpaben Jayantibhai Kumbhani     | Executive Director   | Member                 |

Our Company Secretary and Compliance officer shall act as the secretary of the Committee.

### Terms of Reference

The role of the committee shall *inter-alia* include the following:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

### Quorum and Meetings

The Stakeholders Relationship Committee shall meet as and when require to discuss and approve the items included in its role. The quorum shall be one third of total members of the Stakeholders Relationship Committee or 2 members, whichever is higher.



#### 4. Corporate Social Responsibility (CSR) Committee:

The present constitution of the CSR Committee is as follows:

| Name of the Directors           | Designation          | Nature of Directorship |
|---------------------------------|----------------------|------------------------|
| Jayantibhai Mohanbhai Kumbhani  | Managing Director    | Chairman               |
| Ahvinkumar Ramnikbhai Trapasiya | Independent Director | Member                 |
| Hasmukh Veljibhai Vavaiya       | Independent Director | Member                 |

Our Company Secretary and Compliance officer shall act as the secretary of the Committee.

The scope and function of the CSR Committee and its terms of reference shall include the following:

##### Terms of Reference

The role of the committee shall *inter-alia* include the following:

1. To review, formulate and recommend to the Board a CSR Policy which shall indicate the activities to be undertaken by the Company in area or subject, specified in Schedule VII of the Act of the Companies Act, 2013 and Rules made thereunder;
2. To provide guidance on various CSR activities and recommend the amount of expenditure to be incurred on the activities;
3. To monitor the CSR Policy from time to time and may seek outside agency advice, if necessary;
4. ensure overall governance and compliance of the CSR Policy;
5. To prepare and send annual report on CSR to the Board of Directors, the status of the CSR activities undertaken and contributions made by the Company;
6. formulate and recommend to the Board for its approval, an annual CSR action plan in pursuance of the CSR Policy;
7. any other requirements mandated under the Act and Rules issued thereto

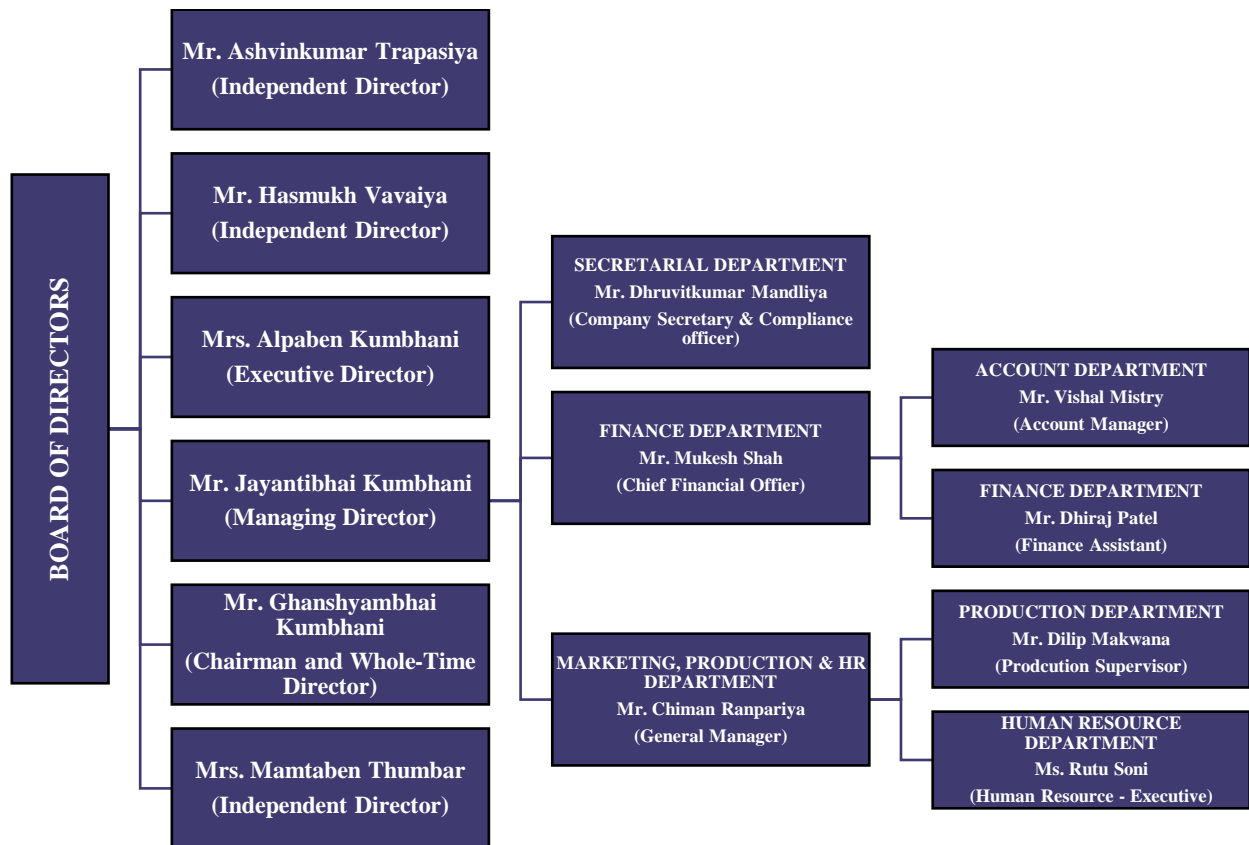
##### Duties and Responsibilities:

The duties of the CSR Committee and its terms of reference shall include the following:

1. The CSR Committee shall monitor the implementation of the CSR Policy and CSR plan. For this purpose, the CSR Committees shall meet as and where required for the said purpose.
2. In discharge of CSR functions of the Company, the CSR Committee shall be directly responsible to the Board for any act that may be required to be done by the CSR Committee in furtherance of its statutory obligations, or as required by the Board.
3. The CSR Committee shall place before the board every year a responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company for inclusion in the Board's Report.
4. The CSR Committee shall ensure that the CSR policy is displayed on the Company's Website.

#### MANAGEMENT ORGANIZATION STRUCTURE

The Management Organization Structure of the company is depicted from the following chart:



### Our Key Management Personnel

The Key Managerial Personnel of our Company other than our Executive Director are as follows: -

| Name, Designation and Date of Joining |   | Qualification  | Previous Employment   | Remuneration paid in F.Y. 2023-24 (₹ in Lakhs) |
|---------------------------------------|---|--|---|--|
| <b>Name</b>                           | <b>Mr. Dhruvitkumar Mandliya</b>  | B.Com<br>Hold the Degree of the Company Secretary from Institute of Company Secretary of India | Pressure Sensitive Systems (India) Limited (Listed on BSE)<br>Designation: Company Secretary and Compliance Officer | Not applicable as appointed w.e.f. 01/06/2023  |
| <b>Designation</b>                    | Company Secretary and Compliance Officer  |  |   |  |
| <b>Date of Appointment</b>            | June 1, 2023  |  |   |  |
| <b>Overall Experience</b>             | Mr. Dhruvitkumar Pareshbhai Mandliya, is an Associate member of Institute of Companies Secretaries of India, and possess the requisite qualification as prescribed under the Companies (Appointment and Qualification of Secretary) Rules, 1988 and Bachelor of commerce from Saurashtra University. He has an experience of more than two years in the field of Secretarial and Compliance related activities.   |  |   |  |
| <b>Name</b>                           | <b>Mr. Mukesh Shah</b>  | B.Com  | Shree Ambica Plastic Industries (Partnership firm)  | ₹ 8.79 Lakhs                                   |
| <b>Designation</b>                    | Chief Financial Officer   |  |   |  |
| <b>Date of Appointment</b>            | January 12, 2017  |  |   |  |
| <b>Overall Experience</b>             | Mr. Mukesh Shah has been appointed as Finance Manager of Sikko Industries Limited in the year 2007 i.e. from June 2, 2007 and appointed as Chief Finance Officer from January 12, 2017. Mr. Mukesh Shah pursued Bachelor of Commerce from Gujarat University, Ahmedabad in the year 1988. Being a Commerce graduate he has wide experience in the field of accounts and finance. Before, joining our Company, Mr. Mukesh Shah was account manager of Shree Ambica Plastic Industries (Partnership firm) for 10 years. |  |   |  |



## BONUS OR PROFIT-SHARING PLAN FOR THE KEY MANAGEMENT PERSONNEL

Our Company does not have any bonus or profit-sharing plan for our Key Managerial personnel.

## CHANGES IN THE KEY MANAGEMENT PERSONNEL

The following are the changes in the Key Management Personnel in the last three years preceding the date of filing of this Letter of Offer, otherwise than by way of retirement in due course.

| Name of Directors                | Date of Event | Nature of Events      | Reason for the changes in the board  |
|----------------------------------|---------------|-----------------------|--|
| Rupen Jayantibhai Patel          | 04/09/2021    | Appointment           | Appointment as Additional (Independent) Director of the Company                          |
| Alpaben Jayantibhai Kumbhani     | 28/09/2021    | Change in Designation | Change in Designation from Additional (Non-Executive) Director to Non-Executive Director |
| Rupen Jayantibhai Patel          | 28/09/2021    | Change in Designation | Change in Designation from Additional (Independent) Director to Independent Director     |
| Ankita Kanubhai Lunagariya       | 01/01/2023    | Resignation           | Resignation as Company Secretary and Compliance Officer of the Company                   |
| Ishita Nayankumar Shah           | 01/01/2023    | Appointment           | Appointment as Company Secretary and Compliance Officer of the Company                   |
| Ishita Nayankumar Shah           | 18/04/2023    | Resignation           | Resignation as Company Secretary and Compliance Officer of the Company                   |
| Dhruvitkumar Pareshbhai Mandliya | 01/06/2023    | Appointment           | Appointment as Company Secretary and Compliance Officer of the Company                   |
| Rupen Jayantibhai Patel          | 16/06/2023    | Resignation           | Resignation as Independent Director of the Company                                       |
| Ashvinkumar Ramnikbhai Trapasiya | 13/06/2023    | Appointment           | Appointment as Additional (Independent) Director of the Company                          |
| Ashvinkumar Ramnikbhai Trapasiya | 11/09/2023    | Change in Designation | Change in Designation from Additional (Independent) Director to Independent Director     |
| Alpaben Jayantibhai Kumbhani     | 01/10/2021    | Change in Designation | Change in Designation from Non-Executive Director to Executive Director                  |





## OUR PROMOTERS AND PROMOTER GROUP

### Our Promoters

The following Individuals are our Promoters.

1. Mr. Ghanshyambhai Kumbhani
2. Mr. Jayantibhai Kumbhani

|   |   |
|---|---|
|  | <b>MR. GHANSHYAMBHAI KUMBHANI</b>   |
|   | Mr. Ghanshyambhai Kumbhani (DIN: 00587855) is the Chairman and Whole-time Director of our Company. He holds Bachelor Degree of Science in Chemistry from the Sardar Patel University, Gujarat. He has 38 years of experience in agricultural field including 26 years of experience in agricultural business. Mr. Ghanshyambhai Kumbhani has apt knowledge and understanding of the chemical processes that go into manufacturing and thus maintains the quality of products throughout the process in the Company. Furthermore, working experience in teams, he is well-suited to team-oriented tasks such as the design project. In our Company, he heads the Purchase, Production and Technical Departments. |
| <b>Date of Birth</b>  | August 12, 1963   |
| <b>Age</b>  | 60 years  |
| <b>Educational Qualification</b>  | Bachelor Degree of Science in Chemistry from the Sardar Patel University, Gujarat   |
| <b>Present Residential Address</b>  | F 67/47, Sterling City, Nr. Prakruti Bunglow, Bopal, Daskroi, Ahmedabad, Gujarat - 380 058, India   |
| <b>Position/posts held in the past</b>  | He was acting as Director of the Company since incorporation. He has resigned from the Directorship in the year 2007 and appointed in the year 2010. He is further appointed as the Chairman and Whole-Time Director of the Company for a period of five years w.e.f. January 12, 2017. Further, he has been re-appointed as such for a second term of five years from October 01, 2021 to September 30, 2026.  |
| <b>Directorship held</b>  | Sikko Trade Link Private Limited<br>Siganjka Industries Private Limited   |
| <b>Other Ventures</b>   | -   |

|   |  |
|---|--|
|  | <b>MR. JAYANTIBHAI KUMBHANI</b>  |
|   | Mr. Jayantibhai Kumbhani (DIN: 00587807) is the Managing Director of our Company. He holds Bachelor Degree of Science in Agriculture from the Gujarat Agricultural University. Mr. Jayantibhai Mohanbhai Kumbhani is the original founder of the SIKKO GROUP. He has 35 years of experience in agricultural field including 26 years of experience in agricultural business. He looks after the marketing department, administrative and finance Department of the Company. He is also responsible for formulation of the strategies for expansion and growth of business of the Company. His skill helps the Company to maintain the healthy relationship with clients, dealers, distributors and other stakeholders of the Company. Nevertheless, his experience helps the Company to infuse latest technologies for easy manufacturing process. |
| <b>Date of Birth</b>  | April 10, 1966   |
| <b>Age</b>  | 58 years   |
| <b>Educational Qualification</b>  | Bachelor Degree of Science in Agriculture from the Gujarat Agricultural University   |
| <b>Present Residential Address</b>  | 8, Pooja Bungalows, Opp. Govt, Tubewell, Bopal, Ahmedabad, Gujarat - 380058, India   |
| <b>Position/posts held in the past</b>  | He joined our Company in the year 2003 as Director. Further, he has been re-appointed as such for a second term of five years from October 01, 2021 to September 30, 2026.   |
| <b>Directorship held</b>  | Sikko Trade Link Private Limited<br>Agro Chemicals Manufacturers Association of India<br>Siganjka Industries Private Limited   |
| <b>Other Ventures</b>   | -  |



## OUR PROMOTER GROUP:

In addition to the Promoters named above, the following natural persons form part of our Promoter Group in terms of Regulation 2(1) (pp) (ii) of SEBI ICDR Regulations, 2018:

### a. The following individuals form a part of the Promoter' Group:

| Relationship with Promoter | Mr. Ghanshyambhai Mohanbhai Kumbhani                    | Mr. Jayantibhai Mohanbhai Kumbhani  |
|----------------------------|---|---|
| <b>Father</b>              | Mr. Mohanbhai Kumbhani                                  | Mr. Mohanbhai Kumbhani  |
| <b>Mother</b>              | Mrs. Rudiben Kumbhani                                   | Mrs. Rudiben Kumbhani   |
| <b>Spouse</b>              | Mrs. Nandaben Kumbhani                                  | Mrs. Alpaben Kumbhani   |
| <b>Brother/s</b>           | Mr. Jayantibhai Kumbhani,<br>Mr. Pravinbhai Kumbhani    | Mr. Ghanshyambhai Kumbhani,<br>Mr. Pravinbhai Kumbhani                                      |
| <b>Sister/s</b>            | Mrs. Rasilaben Savaliya                                 | Mrs. Rasilaben Savaliya   |
| <b>Son/s</b>               | Mr. Kush Kumbhani                                       | Mr. Karan Kumbhani  |
| <b>Daughter/s</b>          | Ms. Jinal Kumbhani                                      | Ms. Gargi Kumbhani  |
| <b>Spouse's Father</b>     | Mr. Dhanjibhai Gondaliya                                | Mr. Ranchhodbhai Chovatiya  |
| <b>Spouse's Mother</b>     | Mrs. Ramaben Gondaliya                                  | Mrs. Ramaben Chovatiya  |
| <b>Spouse's Brother/s</b>  | Mr. Satishbhai Gondaliya,<br>Mr. Ketanbhai Gondaliya    | -   |
| <b>Spouse's Sister/s</b>   | Mrs. Pravinaben Vaghasiya,<br>Mrs. Sangitaben Vaghasiya | Mrs. Anjana Usdadiya,<br>Mrs. Vibha Sardhara,<br>Mrs. Toral Vaishnav,<br>Mrs. Shilpa Thumar |

### b. Companies, Firms, Entities and HUFs forming part of Promoter Group:

Our Promoter Group as defined under Regulation 2 (1) (pp)(iv) of the SEBI (ICDR) Regulations, 2018 includes following entities:

| Nature of Relationship  | Entity  |
|---|---|
| (A) Any Body corporate in which twenty percent or more of the equity share capital is held by the promoter or an immediate relative of the promoter or a firm or Hindu Undivided Family in which the promoter or any one or more of his immediate relative is a member; | Sikko Trade Link Private Limited<br>Sikko Products Private Limited<br>Siganjka Industries Private Limited |
| (B) Any Body corporate in which a body corporate as provided in (A) above holds twenty percent. or more, of the equity share capital;   | Not Applicable  |
| (C) Any Hindu Undivided Family or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than twenty percent. of the total;   | Not Applicable  |

### OTHER PERSONS INCLUDED IN PROMOTER GROUP:

Mrs. Bhavnaben Pravinbhai Kumbhani is not relatives within the meaning of regulation 2(1) (pp) (ii) of ICDR Regulations, 2018 but is considered for the purpose of shareholding of the Promoter Group under Regulation 2(1) (pp) (v) of ICDR Regulations, 2018.



## DIVIDEND POLICY

Under the Companies Act, 2013 our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting and as per provisions of Articles of Association of our Company. The shareholders of the Company have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. All Dividends upon recommendation by our Board of Directors and approved by the shareholders at the General Meeting will be paid to credit of registered shareholders by way of cheque or warrant or in any electronic mode.

Our Company does not have any formal dividend policy for the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

### Dividends paid on Equity Shares:

The dividends paid by the Company on the Equity Shares in each of the Financial Years ending 2021, 2022 and 2023, and for the period commencing from April 01, 2024 till the date of this letter of offer are given below:

| Particulars                           | From April 1, 2024 to the date of this Letter of Offer | F.Y. 2023-24 | F.Y. 2022-23 | F.Y 2021-22 |
|---------------------------------------|--|--------------|--------------|-------------|
| Face value of Equity Shares (in ₹)    | 10.00  | 10.00        | 10.00        | 10.00       |
| Dividend amount (in ₹ Lakh)           | Nil  | Nil          | 25.20        | Nil         |
| Number of Equity Shares               | 16800000   | 16800000     | 16800000     | 12000000    |
| Total dividend per Equity Share (₹)   | Nil  | Nil          | 0.15         | Nil         |
| Rate of dividend on Equity Share (%)* | Nil  | Nil          | 1.50%        | Nil         |
| Mode of payment                       | NA   | NA           | Cash         | NA          |
| Tax deducted as source (in ₹ Lakh)    | Nil  | Nil          | 2.22         | Nil         |

For details of risks in relation to our capability to pay dividend, please refer Risk Factor No. 29 under section titled “Risk Factors” beginning on Page No. 22 of this Letter of Offer.



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**SECTION VII – FINANCIAL INFORMATION**

**FINANCIAL STATEMENTS**

| Sr. No. | Particulars  | Page Nos.        |
|---------|--|------------------|
| 1.      | Unaudited Financial Result for the quarter and half year ended on September 30, 2024 | F – 1 to F – 5   |
| 2.      | Audited Financial Statements for FY 2023-24  | F – 6 to F – 33  |
| 3.      | Audited Financial Statements for FY 2022-23  | F – 34 to F – 62 |



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## MATERIAL DEVELOPMENTS

Except as stated in this Letter of Offer and as disclosed below, to our knowledge, no circumstances have arisen since March 31, 2024, which materially and adversely affect or are likely to affect our operations, performance, prospects or profitability, or the value of our assets or our ability to pay material liabilities:

1. Increase in the Authorized Share Capital of the Company, from Rupees 17,50,00,000/- (Rupees Seventeen Crore Fifty Lacs only) divided into 17500000 (One Crore Seventy Five Lacs only) Equity Shares of Rupees 10/- (Rupees Ten Only) each, to Rupees 25,00,00,000/- (Rupees Twenty Five Crore Only) divided into 25000000 (Two Crore Fifty Lacs Only) Equity Shares of Rupees 10/- (Rupees Ten Only) each and consequent amendment in the Capital Clause (Clause V) of Memorandum of Association of the Company vide Members approval in their Extra-Ordinary General Meeting of the Company on Thursday, May 30, 2024.
2. Approval for the proposal for entering into Material Related Party Transaction(s) in relation to “purchasing of land situated at 173/174, Ajanta Industrial Estate Village. Vasna Iyava, Tal. Sanand, Ahmedabad, Gujarat – 382 110, India” between the Company and M/s. Siganjka Industries Private Limited (Formerly Known as Kimaya Extractions Private Limited), a private company in which a director or manager or his relative is a member or director, by the Members vide their resolution passed in their Extra-Ordinary General Meeting of the Company on Saturday, June 22, 2024.
3. Re-appointment of M/s. D G M S & Co., Chartered Accountants, Jamnagar (FRN: 0112187W) be and is hereby appointed as the Statutory Auditors of the Company, to hold office from the conclusion of 24th (Twenty-Fourth) Annual General Meeting till the conclusion of 29th (Twenty Ninth) Annual General Meeting to be held for the financial year 2028-29 at such remuneration (excluding out of pocket expenses and reimbursement of expenses, if any) as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company, by the Members vide their resolution passed in their 24<sup>th</sup> Annual General Meeting of the Company on Friday, September 13, 2024.



## ACCOUNTING RATIOS

Unless context requires otherwise, the following tables present certain accounting and other ratios derived from the relevant Unaudited Financial Results / Audited Financial Statements. For details see “Financial Information” on page 94 of this Letter of Offer.

(₹ in Lakhs)

| Particulars   | For the period ended on September 30, 2024 | For the year ended March 31 |               |               |
|---|--|-----------------------------|---------------|---------------|
|   |  | 2024                        | 2023          | 2022          |
| <b>Basic and Diluted Earnings Per Share (₹)</b>                                 |  |                             |               |               |
| <b>Basic Earnings Per Share (Basic EPS)</b>                                     |  |                             |               |               |
| Net profit / (loss) after tax, attributable to equity shareholders              | 385.07                                     | 406.44                      | 289.25        | 187.70        |
| Weighted average number of Equity Shares outstanding                            | 16800000                                   | 16800000                    | 16800000      | 16800000      |
| <b>Basic EPS in ₹</b>   | <b>2.29</b>                                | <b>2.42</b>                 | <b>1.72</b>   | <b>1.12</b>   |
| <b>Face value in ₹</b>  | <b>10.00</b>                               | <b>10.00</b>                | <b>10.00</b>  | <b>10.00</b>  |
| <b>Diluted Earnings Per Share (Diluted EPS)</b>                                 |  |                             |               |               |
| Net profit / (loss) after tax, attributable to equity shareholders              | 385.07                                     | 406.44                      | 289.25        | 187.70        |
| Weighted average number of Equity Shares considered for calculating Diluted EPS | 16800000                                   | 16800000                    | 16800000      | 16800000      |
| <b>Diluted EPS in ₹</b>   | <b>2.29</b>                                | <b>2.42</b>                 | <b>1.72</b>   | <b>1.12</b>   |
| <b>Face value in ₹</b>  | <b>10.00</b>                               | <b>10.00</b>                | <b>10.00</b>  | <b>10.00</b>  |
| <b>Net Asset Value Per Equity Share (₹)</b>                                     |  |                             |               |               |
| Net Asset Value (Net-worth)   | 3,172.52                                   | 2,787.45                    | 2,381.02      | 2,116.97      |
| Number of equity shares outstanding at the end of the period/year               | 16800000                                   | 16800000                    | 16800000      | 12000000      |
| <b>Net Assets Value per equity share (₹)</b>                                    | <b>18.88</b>                               | <b>16.59</b>                | <b>14.17</b>  | <b>17.64</b>  |
| <b>Return on Net worth</b>  |  |                             |               |               |
| Net Profit / (loss) after tax   | 385.07                                     | 406.44                      | 289.25        | 187.70        |
| Net worth   | 3,172.52                                   | 2,787.45                    | 2,381.02      | 2,116.97      |
| <b>Return on net worth</b>  | <b>12.14</b>                               | <b>14.58</b>                | <b>12.15</b>  | <b>8.87</b>   |
| <b>EBITDA</b>   |  |                             |               |               |
| Profit / (loss) after tax (A)   | 385.07                                     | 406.44                      | 289.25        | 187.70        |
| Re-measurement Of The Net Defined Benefit Liability / Asset                     | -  | -                           | -             | -             |
| Income tax expense (B)  | 127.30                                     | 199.37                      | 116.05        | 73.30         |
| Finance costs (C)   | 15.12                                      | 76.46                       | 44.24         | 54.26         |
| Depreciation and amortization expense (D)                                       | 33.48                                      | 71.55                       | 58.99         | 62.51         |
| <b>EBITDA (A+B+C+D)</b>   | <b>560.97</b>                              | <b>753.82</b>               | <b>508.52</b> | <b>377.78</b> |
| EBIT  | 527.49                                     | 682.27                      | 449.54        | 315.27        |
| Revenue from Operation  | 3,119.27                                   | 6,128.72                    | 4,967.03      | 5,102.64      |
| <b>Operating Profit Margin</b>  | <b>16.91</b>                               | <b>11.13</b>                | <b>9.05</b>   | <b>6.18</b>   |
| <b>Net Profit Margin</b>  | <b>12.34</b>                               | <b>6.63</b>                 | <b>5.82</b>   | <b>3.68</b>   |

**Note:**

Above information is based on Unaudited Financial Result for the quarter and half year ended on September 30, 2024 dated October 26, 2024 and Audited Financial Statements for the year ended on FY 2023-24, FY 2022-23 and FY 2021-22 dated May 30, 2024, May 24, 2023 and May 30, 2022 issued by the Statutory Auditor.

The ratios have been computed as per the following formulas:

- (i) **Basic and Diluted Earnings per Share:** Net Profit after tax for the year attributable to equity shareholders / Weighted average number of equity shares outstanding during the year
- (ii) **Net Assets Value (NAV):** Net Asset Value at the end of the year / Number of equity shares outstanding at the end of the year
- (iii) **Return on Net worth (%):** Net Profit after tax for the year, attributable to equity shareholders / Net worth (excluding revaluation reserve) at the end of the year





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*Net-worth (excluding revaluation reserve), means the aggregate value of the paid-up share capital (including shares pending allotment) and securities premium account, after adding surplus in Statement of Profit and Loss.*

- (iv) **EBITDA:** Profit/(loss) after tax for the period adjusted for income tax, expense, finance costs, depreciation and amortization expense, as presented in the restated financial statement of profit and loss.*
- (v) **Operating Profit Margin:** Operating profit margin is calculated as Earnings before interest & tax (EBIT) for the year/period divided by Revenue from operations for the respective year/period. EBIT is calculated as EBITDA (as explained above) less depreciation & amortisation expenses for the respective year/period.*
- (vi) **Net Profit Margin:** Net profit margin is calculated as Profit/(loss) after tax for the year/period divided by Revenue from operations for the respective year/period.*



## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

*The following discussion of our financial condition and results of operations should be read in conjunction with the "Financial Information" beginning on page 94 of this Letter of Offer.*

*Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should also read "Risk Factors" and "Forward Looking Statements" beginning on page 22 and 14, respectively of this Letter of Offer, which discuss a number of factors and contingencies that could affect our financial condition and results of operations.*

*Our financial statements included in this Letter of Offer are prepared in accordance with Ind AS, which differs in certain material respects from other accounting standards such as IFRS. Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are for the 12 months ended March 31 of that year. Unless otherwise indicated or the context requires, the financial information for Fiscal 2022 included herein is based on the Audited Financial Statements included in this Letter of Offer. For further information, see "Financial Information" beginning on page 94 of this Letter of Offer.*

*Neither we, nor any of our affiliates or advisors, nor any other person connected with the Issue has independently verified such information. For further information, see "Presentation of Financial, Industry and Market Data" beginning on page 12 of this Letter of Offer.*

### OVERVIEW OF OUR BUSINESS

In the year 1998, Our Promoter was running proprietorship firm, namely Sikko Sprayers & Exports Co. which was engaged in the manufacturing of "Growth Promoters" and its used as supplements in agriculture by farmers. In the blanket of Growth Promoters various products are sold namely Vakil, Diamond, Vasool, Biomono which are in combination of granules and liquid form. In addition, firm was engaged in assembling of different parts of Spray Pump having Inside and cylinder without bearing. The spray pumps are used by farmers in agriculture to spray pesticides.

In the year 2000 our Company was incorporated as Sikko Sprayers Private Limited. Our Company acquired Sikko Sprayers & Exports Co., proprietorship concern of Mr. Pravinbhai M. Kumbhani in the year 2000 and consequent to which entire assets-liabilities including outstanding creditors of the said proprietorship concern were taken over by our company for which there was no formal agreement for acquisition of the said business was entered.

Sikko Industries Limited was originally incorporated in the name of Sikko Sprayers Private Limited on February 8, 2000. Thereafter, the company was converted in to public limited company and name of the Company was changed from Sikko Sprayers Private Limited to Sikko Sparayers Limited via Special Resolution passed by the members on 16/02/2010. Subsequently, the Name of Company has changed from Sikko Sprayers Limited to Sikko Industries Limited and Fresh certificate of Incorporation pursuant to change of name was issued by Assistant Registrar of Companies, Gujarat and Dadra Nagar Haveli on March 17, 2010.

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. To sum up our Company is engaged in manufacturing of Pesticides including organic Pesticides, Fertilizers including organic fertilizer, Spray Pump and Organic Seeds.

The initial object of the Company is to set up facilities for manufacture of all kinds of sprayers for agricultural purposes and all spare parts of such sprayers. Afterwards the main object of the Company has been changed vide Special Resolution passed through Postal Ballot and Remote e-Voting on October 13, 2022. As per latest Object clause of Memorandum of Association of the Company, followings are main objects of the Company:

1. To carry on business as manufacturers, assemblers, stockist, agents, importers, exporters, traders, whole-sellers, retailers, distributors or dealers of all kinds of sprayers for agricultural purposes and all spare parts of such sprayers.
2. To manufacture, process, refine, install, work, store, maintain, improve, manipulate, formulate, pack, mix, prepare for market, sell both in wholesale or retail, buy, repair, alter, exchange, export, import, distribute and deal in all kinds of and types of pesticides, fertilizers, all types of agricultural chemicals, pesticides intermediates, including insecticides, fungicides, herbicides, weedicides and all allied and agricultural products, seeds, seed products and its byproducts thereof.



3. To manufacture, formulate, process, develop, refine, import, export, wholesale and/or retail trade all kinds of pharmaceuticals, surgical with surgical instruments, antibiotics, drugs, medicines, biologicals, nutraceuticals, healthcare, Ayurvedic and dietary supplement products, medicinal preparations, vaccines, chemicals, chemical products, dry salters, mineral waters, wines, cordials, liquors, soups, broths and other restoratives or foods and also to deal in medicinal goods such as surgical instruments, contraceptives, photographic goods, oils, perfumes, cosmetics, patent medicines, soaps, artificial limbs, hospital requisites, proprietary medicines, veterinary medicines and tinctures extracts and to carry on the business of vialling, bottling, repacking, processing of tablets, capsules, syrups, injections, ointments, etc. and also to carry on the business of chemists, druggists, buyers, sellers, agents, distributors and stockists of all kinds of pharmaceuticals and allied products.
4. To carry on business of export, import, buying, selling, processing, and trading of agricultural commodities of all kinds such as fruits, vegetables, pulses, grains, spices or any other agro commodities or produce whatsoever including processed foods.

For further details, refer chapter titled “*Business Overview*” on page 65 of this Letter of Offer.

### **SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS**

Our financial condition and results of operations are affected by numerous factors and uncertainties, including those discussed in the section titled ‘*Risk Factors*’ on page 22 of this Letter of Offer. The following is a discussion of certain factors that have had, and we expect will continue to have, a significant effect on our financial condition and results of operations:

- Any adverse changes in central or state government policies;
- Any adverse development that may affect our operations of our manufacturing units;
- Any qualifications or other observations made by our statutory auditors which may affect our results of operations;
- General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
- Changes in technology and our ability to manage any disruption or failure of our technology systems;
- Our ability to attract and retain qualified personnel;
- Our ability to maintain and enhance our brand image;
- Our ability to successfully execute our expansion strategy in a timely manner.
- Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- Our reliance on third party suppliers for our products;
- The performance of the financial markets in India and globally;
- Any adverse outcome in the legal proceedings in which we are involved;
- Occurrences of natural disasters or calamities affecting the areas in which we have operations;
- Market fluctuations and industry dynamics beyond our control;
- Loss of one or more of our key customers and/or suppliers;
- An increase in the productivity and overall efficiency of our competitors;
- Any adverse development that may affect the operations of our manufacturing units; The performance of the financial markets in India and globally;
- Our ability to compete effectively, particularly in new markets and businesses;
- Changes in foreign exchange rates or other rates or prices;
- Inability to collect our dues and receivables from, or invoice our unbilled services to, our customers, our results of operations;
- Other factors beyond our control;
- Our ability to manage risks that arise from these factors;
- Conflict of interest with our Subsidiary, Individual Promoter and other related parties;
- Changes in domestic and foreign laws, regulations and taxes and changes in competition in our industry;
- Termination of customer contracts without cause and with little or no notice or penalty; and
- Inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals or noncompliance with and changes in, safety, health and environmental laws and other applicable regulations, may adversely affect our business, financial condition, results of operations and prospects.



## SIGNIFICANT ACCOUNTING POLICIES

The accounting policies have been applied consistently to the periods presented in the Audited Financial Statements. For details see “*Financial Information*” on page 94 of this Letter of Offer.

## CHANGE IN ACCOUNTING POLICIES IN PREVIOUS 3 YEARS

Except as mentioned in chapter titled “*Financial Information*” on page 94 of this Letter of Offer, there has been no change in accounting policies for the period which has been included in this Letter of Offer.

## RESERVATIONS, QUALIFICATIONS AND ADVERSE REMARKS

For details, please refer chapter titled “*Financial Information*” on page 94 of this Letter of Offer.

## RESULTS OF OUR OPERATIONS

The following table sets forth, for the periods indicated, certain items from our unaudited Financial Result for the quarter and half year ended on September 30, 2024 and audited financial statements for the year ended March 31, 2024, 2023 and 2022 in each case also stated as a percentage of our total income:

(₹ In Lakhs)

| Particulars  | For the period ended on September 30, 2024 |                | For the Year Ended March 31, 2024 |                | For the Year Ended March 31, 2023 |                | For the Year Ended March 31, 2022 |                |
|--|--|----------------|-----------------------------------|----------------|-----------------------------------|----------------|-----------------------------------|----------------|
|  | Amount                                     | (%)*           | Amount                            | (%)*           | Amount                            | (%)*           | Amount                            | (%)*           |
| <b>Revenue</b>                                       |  |                |                                   |                |                                   |                |                                   |                |
| Revenue from Operations                              | 3,119.27                                   | 99.72%         | 6,128.72                          | 94.72%         | 4,946.19                          | 99.07%         | 5,102.64                          | 99.58%         |
| Other Incomes  | 8.79                                       | 0.28%          | 341.87                            | 5.28%          | 46.32                             | 0.93%          | 21.69                             | 0.42%          |
| <b>Total Income</b>                                  | <b>3,128.06</b>                            | <b>100.00%</b> | <b>6,470.59</b>                   | <b>100.00%</b> | <b>4,992.51</b>                   | <b>100.00%</b> | <b>5,124.34</b>                   | <b>100.00%</b> |
| <b>Expenses:</b>                                     |  |                |                                   |                |                                   |                |                                   |                |
| Cost of Materials Consumed                           | 110.12                                     | 3.52%          | 2,786.26                          | 43.06%         | 3,498.57                          | 70.08%         | 3,857.70                          | 75.28%         |
| Purchases of Stock-in-Trade                          | 2,100.46                                   | 67.15%         | 1,614.56                          | 24.95%         | 154.91                            | 3.10%          | 0                                 | 0.00%          |
| Changes in Inventory of FG, WIP and Stock in trade   | (131.27)                                   | (4.20%)        | 51.61                             | 0.80%          | (130.58)                          | (2.62%)        | (13.33)                           | (0.26%)        |
| Employee Benefit Expenses                            | 359.77                                     | 11.50%         | 611.59                            | 9.45%          | 453.98                            | 9.09%          | 294.92                            | 5.76%          |
| Finance Costs  | 15.12                                      | 0.48%          | 76.46                             | 1.18%          | 44.24                             | 0.89%          | 54.26                             | 1.06%          |
| Depreciation & Amortization                          | 33.48                                      | 1.07%          | 71.55                             | 1.11%          | 58.99                             | 1.18%          | 62.51                             | 1.22%          |
| Other Expenses                                       | 128.01                                     | 4.09%          | 652.74                            | 10.09%         | 507.10                            | 10.16%         | 607.27                            | 11.85%         |
| <b>Total Expenses</b>                                | <b>2,615.69</b>                            | <b>83.62%</b>  | <b>5,864.77</b>                   | <b>90.64%</b>  | <b>4,587.21</b>                   | <b>91.88%</b>  | <b>4,863.33</b>                   | <b>94.91%</b>  |
| <b>Profit/(Loss) before exceptional item and Tax</b> | <b>512.37</b>                              | <b>16.38%</b>  | <b>605.82</b>                     | <b>9.36%</b>   | <b>405.30</b>                     | <b>8.12%</b>   | <b>261.01</b>                     | <b>5.09%</b>   |
| Exceptional Items                                    | 0  | 0.00%          | 0                                 | 0.00%          | 0                                 | 0.00%          | 0                                 | 0.00%          |
| <b>Profit before Tax</b>                             | <b>512.37</b>                              | <b>16.38%</b>  | <b>605.82</b>                     | <b>9.36%</b>   | <b>405.30</b>                     | <b>8.12%</b>   | <b>261.01</b>                     | <b>5.09%</b>   |
| <b>Tax Expenses:</b>                                 |  |                |                                   |                |                                   |                |                                   |                |
| (i) Current tax                                      | 142.49                                     | 4.56%          | 180.76                            | 2.79%          | 117.86                            | 2.36%          | 77.95                             | 1.52%          |



| Particulars   | For the period ended on September 30, 2024 |               | For the Year Ended March 31, 2024 |              | For the Year Ended March 31, 2023 |              | For the Year Ended March 31, 2022 |              |
|---|--|---------------|-----------------------------------|--------------|-----------------------------------|--------------|-----------------------------------|--------------|
|   | Amount                                     | (%)*          | Amount                            | (%)*         | Amount                            | (%)*         | Amount                            | (%)*         |
| (ii) Deferred Tax   | (15.19)                                    | (0.49%)       | 18.61                             | 0.29%        | (1.81)                            | (0.04%)      | (4.65)                            | (0.09%)      |
| <b>Total Tax Expenses</b>   | <b>127.30</b>                              | <b>4.07%</b>  | <b>199.37</b>                     | <b>3.08%</b> | <b>116.05</b>                     | <b>2.32%</b> | <b>73.30</b>                      | <b>1.43%</b> |
| <b>Profit/ (Loss) After Tax</b>   | <b>385.07</b>                              | <b>12.31%</b> | <b>406.45</b>                     | <b>6.28%</b> | <b>289.25</b>                     | <b>5.79%</b> | <b>187.70</b>                     | <b>3.66%</b> |
| <b>Other Comprehensive Income</b>   |  |               |                                   |              |                                   |              |                                   |              |
| a) Items that will not be reclassified to profit or loss                        | 0  | 0.00%         | 0                                 | 0.00%        | 0                                 | 0.00%        | 0                                 | 0.00%        |
| b) Income tax relating to items that will not be reclassified to profit or loss | 0  | 0.00%         | 0                                 | 0.00%        | 0                                 | 0.00%        | 0                                 | 0.00%        |
| <b>Total Comprehensive Income</b>   | <b>0</b>                                   | <b>0.00%</b>  | <b>0</b>                          | <b>0.00%</b> | <b>0</b>                          | <b>0.00%</b> | <b>0</b>                          | <b>0.00%</b> |
| <b>Total Comprehensive Income for the period</b>                                | <b>385.07</b>                              | <b>12.31%</b> | <b>406.45</b>                     | <b>6.28%</b> | <b>289.25</b>                     | <b>5.79%</b> | <b>187.70</b>                     | <b>3.66%</b> |

\*(%) column represents percentage of total revenue.

#### DISCLOSURE OF THE PERIOD ENDED ON SEPTEMBER 30, 2024:

##### *Total Income*

Our total revenue for the period ended on September 30, 2024 was ₹ 3,128.06 lakhs. Revenue from Operations mainly includes sales from Products. Total revenue is bifurcated into revenue from operations and other income.

##### *Revenue from operations*

During the period ended on September 30, 2024, the revenue from operations of our company stood at ₹ 3,119.27 lakhs.

##### *Other income*

Other income for the period ended on September 30, 2024 was ₹ 8.79 lakhs for the period ended on September 30, 2024, representing 0.28% of total income of that period.

##### *Expenses*

##### *Cost of materials consumed*

Cost of materials consumed for the period ended on September 30, 2024 was ₹ 110.12 lakhs representing 3.52% of total income of that period.

##### *Purchase of Traded Goods*

Purchase of Traded Goods for the period ended on September 30, 2024 was ₹ 2,100.46 lakhs representing 67.15% of total income of that period.



### ***Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-progress***

The changes in inventories of finished goods, stock-in-trade and work in progress for the period ended on September 30, 2024 recorded as ₹ (131.27) lakhs of that period.

### ***Employee benefit expenses***

Our Company has incurred ₹ 359.77 lakhs employee benefit expense for the period ended on September 30, 2024, representing 11.50% of total income of that period.

### ***Finance cost***

Finance cost for the period ended on September 30, 2024 was ₹ 15.12 lakhs representing 0.48% of total income of that period.

### ***Depreciation and Amortization Expense***

Depreciation and amortization expense for the period ended on September 30, 2024 was ₹ 33.48 lakhs representing 1.07% of total income of that period.

### ***Other expenses***

Other expenses for the period ended on September 30, 2024 was ₹ 128.01 lakhs representing 4.09% of total income of that period.

### ***Profit/Loss before Tax***

The profit/(loss) before tax for the period ended on September 30, 2024 of ₹ 512.37 lakhs representing 16.38% of total income of that period.

### ***Profit/Loss after Tax***

Our Company's profit after tax for the period ended on September 30, 2024 of ₹ 385.07 lakhs representing 12.31% of total income of that period.

## **COMPARISON OF HISTORICAL RESULTS OF OPERATIONS**

### ***Fiscal 2023 compared to Fiscal 2022***

#### ***Total Income***

Our total revenue for the Fiscal 2023 was ₹ 4,992.51 lakhs as compared to ₹ 5,124.34 lakhs for the Fiscal 2022, representing decrease of 2.57%. Total revenue is bifurcated into revenue from operations and other income.

#### ***Revenue from operations***

During the Fiscal 2023, the revenue from operations of our company decreased to ₹ 4,946.19 lakhs as against ₹ 5,102.64 lakhs for the Fiscal 2022, a decrease of 3.07%. Due to decrease in sale of fertilizers, the revenue from operations was decreased.

#### ***Other income***

Other income for Fiscal 2023 was ₹ 46.32 lakhs as compared to ₹ 21.69 lakhs for the Fiscal 2022, representing an increase of 113.51% Reimbursement of Marketing Expense and C & F Charges.

#### ***Expenses***

##### ***Cost of materials consumed***

Cost of materials consumed for the Fiscal 2023 was ₹ 3,498.57 lakhs as compared to ₹ 3,857.70 lakhs for the Fiscal 2022 representing a decrease of 9.31%. Reduction in cost of material consumed is due to decrease in cost of materials.





### ***Purchase of Traded Goods***

Purchase of Traded Goods for the Fiscal 2023 was ₹ 154.91 lakhs as compared to ₹ Nil lakhs for the Fiscal 2022 representing an increase of 100.00%.

### ***Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-progress***

The changes in inventories of finished goods, stock-in-trade and work in progress for the fiscal 2023 recorded an increase to ₹ (130.58) lakhs from ₹ (13.33) lakhs for the fiscal 2022 representing an overall increase of 879.32%.

### ***Employee benefit expenses***

Our Company has incurred ₹ 453.98 lakhs employee benefit expense for the Fiscal 2023 as compare to ₹ 294.92 lakhs for the Fiscal 2022, representing an increase of 53.93%. Increase in Employee benefit cost is due to regular increase in salary and wages of employees and increase in directors' remuneration.

### ***Finance cost***

Finance cost for the Fiscal 2023 was ₹ 44.24 lakhs as compared to ₹ 54.26 lakhs for the Fiscal 2022, representing a decrease of 18.48%. Decrease in financial cost is due to decrease in term liabilities and decrease in utilization of working capital during F.Y. 2022-23 as compared with F.Y. 2021-22.

### ***Depreciation and Amortization Expense***

Depreciation and amortization expense for the Fiscal 2023 was ₹ 58.99 lakhs as compared to ₹ 62.51 lakhs for the Fiscal 2022, representing decrease of 5.64%.

### ***Other expenses***

Other expenses for the Fiscal 2023 was ₹ 507.10 lakhs as compared to ₹ 607.27 lakhs for the Fiscal 2022, representing decrease of 16.50%. This decrease pertains major reduction in Bad Debts expenses.

### ***Profit/Loss before Tax***

The profit/(loss) before tax for the Fiscal 2023 of ₹ 405.30 lakhs as compared to ₹ 261.01 lakhs showing an increase of 55.28%.

### ***Profit/Loss after Tax***

Our Company's profit after tax for the Fiscal 2023 of ₹ 289.25 lakhs profit after tax of ₹ 187.70 for the Fiscal 2022, showing an increase of 54.10%. The increase on profit after tax was attributes to reduction in overall costs of the Company.

### ***Fiscal 2024 compared to Fiscal 2023***

#### ***Total Income***

Our total revenue for the Fiscal 2024 was ₹ 6,470.59 lakhs as compared to ₹ 4,992.51 lakhs for the Fiscal 2023, representing increase of 29.61%. Total revenue is bifurcated into revenue from operations and other income.

#### ***Revenue from operations***

During the Fiscal 2024, the revenue from operations of our company increased to ₹ 6,128.72lakhs as against ₹ 4,946.19 lakhs for the Fiscal 2023, an increase of 23.91%, due to increase in sale of Seeds and Bio Products.

#### ***Other income***

Other income for Fiscal 2024 was ₹ 341.87 lakhs as compared to ₹ 46.32 lakhs for the Fiscal 2023, representing an increase of 638.05%% due to Sale of Immovable Property.



## **Expenses**

### **Cost of materials consumed**

Cost of materials consumed for the Fiscal 2024 was ₹ 2,786.26 lakhs as compared to ₹ 3,498.57 lakhs for the Fiscal 2023 representing decrease of 20.36%. Decrease in cost of material consumed is due to decrease in raw materials prices.

### **Purchase of Traded Goods**

Purchase of Traded Goods for the Fiscal 2024 was ₹ 1,614.56 lakhs as compared to ₹ 154.91 lakhs for the Fiscal 2023 representing an increase of 942.25%.

### **Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-progress**

The changes in inventories of finished goods, stock-in-trade and work in progress for the fiscal 2024 recorded increase to ₹ 51.61 lakhs from ₹ (130.58) lakhs for the fiscal 2023 representing an overall increase of 139.52%.

### **Employee benefit expenses**

Our Company has incurred ₹ 611.59 lakhs employee benefit expense for the Fiscal 2024 as compare to ₹ 453.98 lakhs for the Fiscal 2023, representing an increase of 34.72%. Increase in Employee benefit cost is due to regular increase in salary and wages and increase directors' remuneration.

### **Finance cost**

Finance cost for the Fiscal 2024 was ₹ 76.46 lakhs as compared to ₹ 44.24 lakhs for the Fiscal 2023, representing an increase of 72.85%. Increase in financial cost is due to increase in term liabilities and increase in utilization of working capital during F.Y. 2023-24 as compared with F.Y. 2022-23.

### **Depreciation and Amortization Expense**

Depreciation and amortization expense for the Fiscal 2024 was ₹ 71.55 lakhs as compared to ₹ 58.99 lakhs for the Fiscal 2023, representing increase of 21.31%.

### **Other expenses**

Other expenses for the Fiscal 2024 was ₹ 652.74 lakhs as compared to ₹ 507.10 lakhs for the Fiscal 2023, representing increase of 28.72%. This increase pertains major increase in sales and promotion expenses, rate & taxes, travelling expenses and workers' salary which are in the nature of direct expenses linked to Revenue from Operations.

### **Profit/Loss before Tax**

The profit/(loss) before tax for the Fiscal 2024 of ₹ 605.82 lakhs as compared to ₹ 405.30 lakhs showing an increase of 49.47%.

### **Profit/Loss after Tax**

Our Company's profit after tax for the Fiscal 2024 of ₹ 406.45 lakhs an increase of 40.52% over the profit after tax for the Fiscal 2023 of ₹ 289.25 lakhs.



## CASH FLOWS

The table below summaries our cash flows from our unaudited Financial Result for the quarter and half year ended on September 30, 2024 and our Audited Financial Information for the financial year ended March 31, 2024, 2023 and 2022;

(₹ in lakhs)

| Particulars   | For the period ended on September 30, 2024 | For the year ended March 31 |          |          |
|---|--|-----------------------------|----------|----------|
|   |  | 2024                        | 2023     | 2022     |
| Net cash generated from / (used in) Operating activities        | 222.00                                     | 214.68                      | (404.62) | 636.40   |
| Net cash generated from / (used in) Investing activities        | (19.68)                                    | 93.79                       | (195.35) | (61.08)  |
| Net cash generated from / (used in) from Financing activities   | (199.33)                                   | (348.89)                    | 628.33   | (568.63) |
| <b>Net Increase / (decrease) in Cash &amp; Cash Equivalents</b> | 2.98                                       | (40.42)                     | 28.36    | 6.69     |
| Cash and cash equivalents at the beginning of the year          | 8.23                                       | 48.65                       | 20.29    | 13.60    |
| Cash and cash equivalents at the end of the year                | 11.22                                      | 8.23                        | 48.65    | 20.29    |

## RELATED PARTY TRANSACTIONS

Related party transactions with our promoters, directors and their entities and relatives primarily relate to purchase and sale of products, remuneration, sitting fees, borrowings, deposits, rent, interest, reimbursements, disinvestments, employee benefit expenses, corporate social responsibility, contribution to gratuity fund, etc. For further details of such related parties under Ind AS-24, refer chapter titled “Financial Information” beginning on page 94 of this Letter of Offer.

## CONTINGENT LIABILITIES

The following table sets forth our contingent liabilities and commitments as on September 30, 2024 as per Unaudited Financial Result, March 31, 2024, March 31, 2023 and March 31, 2022 as per audited financial statements:

(₹ in Lakhs)

| Particulars                   | As on September 30, 2024 | As on March 31, 2024 | As on March 31, 2023 | As on March 31, 2022 |
|-------------------------------|--------------------------|----------------------|----------------------|----------------------|
| <b>Contingent Liabilities</b> | -                        | -                    | -                    | -                    |

## OFF-BALANCE SHEET ARRANGEMENTS

We do not have any other off-balance sheet arrangements or other relationships with unconsolidated entities, such as special purpose vehicles, that have been established for the purposes of facilitating off-balance sheet arrangements.

## QUALITATIVE DISCLOSURE ABOUT MARKET RISK

The Company's financial liabilities comprise mainly of borrowings, trade, other payables and financial assets comprise mainly of security deposits, cash and cash equivalents, other balances with banks, loans, trade receivables and other receivables.

The Company is exposed to Market risk - Foreign Currency, Market risk - Foreign Currency, Credit risk and Liquidity risk. The Board of the Company monitors the risk as per risk management policy. Further, the Audit Committee has additional oversight in the area of financial risks and controls. For further details of such risk, refer chapter titled “Financial Information” beginning on page 94 of this Letter of Offer.



## UNUSUAL OR INFREQUENT EVENTS OR TRANSACTIONS

Except as described elsewhere in this Letter of Offer, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses.

## SIGNIFICANT ECONOMIC/REGULATORY CHANGES

Government policies governing the sector in which we operate as well as the overall growth of the Indian economy has a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations.

There are no significant economic changes that materially affected our Company's operations or are likely to affect income except as mentioned in the section titled "Risk Factors" on page 22 of this Letter of Offer.

Except as disclosed in this Letter of Offer, to our knowledge, there are no significant regulatory changes that materially affected or are likely to affect our income from continuing operations.

## EXPECTED FUTURE CHANGES IN RELATIONSHIP BETWEEN COSTS AND REVENUES, IN CASE OF EVENTS SUCH AS FUTURE INCREASE IN LABOUR OR MATERIAL COSTS OR PRICES THAT WILL CAUSE A MATERIAL CHANGE ARE KNOWN

Other than as described in the section titled "Risk Factors" and chapter titled "Management's Discussion and Analysis of Financial Position and Results of Operations" beginning on pages 22 and 98, respectively, of this Letter of Offer and elsewhere in this Letter of Offer, there are no known factors to our knowledge which would have a material adverse impact on the relationship between costs and income of our Company. Our Company's future costs and revenues will be determined by demand/supply situation and government policies.

## THE EXTENT TO WHICH MATERIAL INCREASES IN NET SALES OR REVENUE ARE DUE TO INCREASED SALES VOLUME, INTRODUCTION OF NEW PRODUCTS OR SERVICES OR INCREASED SALES PRICES

Changes in revenue in the last three financial years are as explained in this part Unaudited Financial Result for the quarter and half year ended on September 30, 2024 and financial year 2024 compared to financial year 2023 and financial year 2022.

## COMPETITIVE CONDITIONS

We have competition with Indian and international manufacturers and our results of operations could be affected by competition in the manufacturing and processing industry in India and international market in the future. We expect competition to intensify due to possible new entrants in the market, existing competitors further expanding their operations and our entry into new markets where we may compete with well-established unorganized companies / entities. This we believe may impact our financial condition and operations. For details, please refer to the chapter titled "Risk Factors" beginning on page 22 of this Letter of Offer.

## TOTAL TURNOVER OF EACH MAJOR BUSINESS SEGMENT

The Company's operation predominantly comprises of only one segment. In view of the same, separate segmental information is not required to be disclosed as per the requirement of Indian Accounting Standard 108 Operating Segment. However, based on Secondary Segment based on Geography following are the bifurcation:

(₹ In Lakhs)

| Particulars                                  | For the period ended on September 30, 2024 | For the year ended on March 31, |          |                 |
|--|--|---------------------------------|----------|-----------------|
|  |  | 2024                            | 2023     | 2022            |
| Domestic                                     | 3016.88                                    | 6,052.27                        | 4,568.39 | 5,102.64        |
| Export (including deemed export through SEZ) | 102.39                                     | 76.44                           | 377.80   | -               |
| <b>Total</b>                                 | <b>3,343.97</b>                            | <b>6,128.71</b>                 | 4,946.19 | <b>5,102.64</b> |



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## **NEW PRODUCT OR BUSINESS SEGMENT**

Except as disclosed in “*Business Overview*” on page 65, we have not announced and do not expect to announce in the near future any new products or business segments.

## **SEASONALITY OF BUSINESS**

Our Company’s business is seasonal. However, the business of the company depends upon the Growth potential of the economy and growth of the country.

## **SIGNIFICANT DEVELOPMENTS SINCE LAST BALANCE SHEET DATE**

Except as disclosed above and in this Letter of Offer, including under “*Business Overview*”, “*Risk Factors*” and “*Material Developments*” on pages 65, 22 and 95 respectively, of this Letter of Offer to our knowledge no circumstances have arisen since March 31, 2024, the date of the last financial information disclosed in this Letter of Offer which materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.



## SECTION VIII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Our Company, our Directors and our Promoters are subject to various legal proceedings from time to time, mostly arising in the ordinary course of our business. Except as stated in this section, there are no: (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) disciplinary action including penalty imposed by SEBI or stock exchanges in the last five financial years including outstanding action; (iv) claims relating to direct and indirect taxes; and (v) Material Litigation (as defined below); involving our Company, Directors or Promoters.

Our Board of Directors, in its meeting held on May 30, 2024 determined that outstanding litigation involving our Company, its directors, its promoters and group companies shall be considered material (“**Material Litigation**”) if:

- a. The aggregate amount involved in such individual litigation exceeds 10% of profit after tax of the Company, as per the last audited financial statements for F.Y. 2023-24; or
- b. Where the decision in one litigation is likely to affect the decision in similar litigations, even though the amount involved in such single litigation individually may not exceed 10% of the profit after tax - of the Company as per the last audited financial statements for F.Y. 2023-24, if similar litigations put together collectively exceed 10% of the profit after tax of the Company; or
- c. Litigations whose outcome could have a material impact on the business, operations, prospects or reputations of the Company and the Board or any of its committees shall have the power and authority to determine the suitable materiality thresholds for the subsequent financial years on the aforesaid basis or any other basis as may be determined by the Board or any of its committees.

Our Board of Directors, in its meeting held on May 30, 2024 determined that nature and extent of outstanding dues of the Company and the nature and extent of the business operations undertaken by the Company, the dues owed by the Company to the small-scale undertakings and other creditors exceeding 10% of the Company's trade payables for the financial statements as at March 31, 2024 shall be considered as material dues for the Company for the purpose of disclosure in Letter of Offer. (“**Material Dues**”).

Details of outstanding dues to creditors (including micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006) as required under the SEBI (ICDR) Regulations have been disclosed on our website at [www.sikkoindia.com](http://www.sikkoindia.com).

Our Company, its Directors and its Promoters are not Wilful Defaulters or fraudulent borrowers and there have been no violations of securities laws in the past or pending against them.

#### A. LITIGATION INVOLVING OUR COMPANY:

##### LITIGATION FILED AGAINST OUR COMPANY:

###### (i). All criminal proceedings:

Nil

###### (ii). All actions by regulatory authorities and statutory authorities:

Nil

###### (iii). Claims related to direct and indirect taxes:

###### Direct Tax:

###### Income Tax:

8. The Income Tax Department has issued the Demand Notice No. 2022202137133982933C dated 13/11/2022 demanding amount of ₹ 26.76 Lakh as part of income tax liability. However, the company has already paid an amount of ₹ 22.00 Lakhs on 29-10-2021 as part of its income tax liability. Further, the company has, in respect of





the same, submitted its response dated 03-12-2022 by way of 'disagreement with the demand raised' citing reasons for the same. The status of the case is awaited from the department.

**Tax Deducted at Source (TDS):**

**1. Following TDS demand is payable by the Company for the F.Y. 2010-11:**

| Financial Year | Quarter | Form Type    | Net Payable (in Lakh) |
|----------------|---------|--------------|-----------------------|
| 2010-11        | Q4      | 24Q          | 0.0026                |
| 2013-14        | Q1      | 26Q          | 0.0001                |
| 2023-24        | Q3      | 24Q          | 0.0011                |
|                |         | <b>Total</b> | <b>0.0038</b>         |

**Indirect Tax:**

**Central Excise Act, 1944:**

- Assessment years 2011-12 to 2014-15:** The Goods valued of ₹ 2,313.04 Lakh cleared by the Sikko Industries Limited (SIL) during the period 2011-12 to 2014-15 appeared to have been cleared without payment of appropriate central excise duty and therefore the goods are liable for confiscation under Rule 25(1) of the Central Excise Rules, 1944. In addition, the Company has contravened the provision of Section 6 of the Central Excise Act, 1944 and contravened the provision of Rule 4, 5, 6, 8 and 11 of the Central Excise Rules, 2002. The Search was conducted by the Central Excise Department in which the benefit of Concessional rate of duty under Notification No. 01/2011-CE as amended dated March 1, 2012 Notification No. 12/2012 dated March 17, 2012 is denied to the Company. After giving Show Cause Notices and Personal Hearing to the Company, the Commissioner of Central Excise, Ahmedabad – II has made demand of Central Excise Duty of ₹ 169.60 Lakhs, interest of ₹ 6.01 Lakhs and Penalty of ₹ 84.80 Lakhs by order no. V.38/15-20/OA/2016 dated January 12, 2017 against the Show Cause Notice no. SCN. F.No. V38 /15-20/OA/2016/394 for which the Company has already paid Central Excise Duty of ₹ 242.74 Lakhs under Protest. However, the Company has filed appeal before Customs, Excise & Service Tax Appellate Tribunal and the same is pending.

**(iv). Other Matters based on Materiality Policy of our Company:**

Nil

**LITIGATION FILED BY OUR COMPANY:**

**(i). All criminal proceedings:**

The Company has initiated legal actions against total 146 various parties / individuals under the Negotiable Instruments Act, 1881 for recovery of dues amounting to total ₹ 359.96 Lakh. All 146 legal actions are pending at various stages. Since none of the individual legal action is considered as Material Litigations, the Company has not disclosed the same.

**(ii). Other Matters based on Materiality Policy of our Company:**

Nil

**B. LITIGATION INVOLVING OUR PROMOTERS:**

**LITIGATIONS AGAINST OUR PROMOTERS:**

**(i). All criminal proceedings:**

Nil

**(ii). All actions by regulatory authorities and statutory authorities:**

Nil



**(iii).Disciplinary action including penalty imposed by SEBI or Stock Exchanges against the promoters in the last five financial years including outstanding action:**

Nil

**(iv). Claims related to direct and indirect taxes:**

**Direct Tax:**

Nil

**Other Matters based on Materiality Policy of our Company:**

Nil

**LITIGATION FILED BY OUR PROMOTERS:**

**(i). All criminal proceedings:**

Nil

**(ii). Other Matters based on Materiality Policy of our Company:**

Nil

**C. LITIGATION INVOLVING OUR DIRECTORS (OTHER THAN PROMOTERS):**

**LITIGATION FILED AGAINST OUR DIRECTORS (OTHER THAN PROMOTERS):**

**(i). All criminal proceedings:**

Nil

**(ii). All actions by regulatory authorities and statutory authorities:**

Nil

**(iii).Disciplinary action including penalty imposed by SEBI or Stock Exchanges against the promoters in the last five financial years including outstanding action:**

Nil

**(iv). Claims related to direct and indirect taxes:**

**Direct Tax:**

Nil

**Other Matters based on Materiality Policy of our Company:**

Nil

**LITIGATION FILED BY OUR DIRECTORS (OTHER THAN PROMOTERS):**

**(i). All criminal proceedings:**

Nil

**(ii). Other Matters based on Materiality Policy of our Company:**

Nil



**D. LITIGATION INVOLVING OUR GROUP COMPANIES:**

**LITIGATION FILED AGAINST OUR GROUP COMPANIES:**

**(i). All criminal proceedings:**

Nil

**(ii). All actions by regulatory authorities and statutory authorities:**

Nil

**(iii). Disciplinary action including penalty imposed by SEBI or Stock Exchanges against the promoters in the last five financial years including outstanding action:**

Nil

**(iv). Claims related to direct and indirect taxes:**

**Direct Tax:**

Nil

**Other Matters based on Materiality Policy of our Company:**

Nil

**LITIGATION FILED BY OUR GROUP COMPANIES:**

**All criminal proceedings:**

Nil

**(i). Other Matters based on Materiality Policy of our Company:**

Nil

**E. OUTSTANDINGS DUE TO MICRO, SMALL AND MEDIUM ENTERPRISES OR ANY OTHER CREDITORS:**

In accordance with our Company's materiality policy dated May 30, 2024, below are the details of the Creditors where there are outstanding amounts:

Amount (₹ in Lakh)

| S No. | Particulars                               | As on September 30, 2024 | As on March 31, 2024 |
|-------|---|--------------------------|----------------------|
| 1.    | <b>Material Creditors</b>                 |                          |                      |
|       | Dues to Micro, Small & Medium Enterprises | 90.99                    | -                    |
|       | Dues to creditors other than MSME         | 578.92                   | 76.86                |
| 2.    | <b>Non-Material Creditors</b>             |                          |                      |
|       | Dues to Micro, Small & Medium Enterprises | 2.04                     | -                    |
|       | Dues to creditors other than MSME         | 136.19                   | 583.42               |
|       | <b>Total</b>                              | <b>808.14</b>            | <b>660.29</b>        |

**F. MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET:**

Except as mentioned under the chapter - "Management's Discussion and Analysis of Financial Position and Result of Operation" on page 98 of this Letter of Offer, there have been no material developments, since the date of the last audited balance sheet.



## GOVERNMENT APPROVALS

We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business (as applicable on date of this Letter of Offer) and except as mentioned below, no further approvals are required for carrying on our present business.

In view of the approvals listed below, we can undertake the Offer and our current/ proposed business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the Offer or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Letter of Offer.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities. The following statement sets out the details of licenses, permissions and approvals taken by us under various central and state laws for carrying out our business.

### A) APPROVALS FOR THE ISSUE

#### Corporate Approvals

1. Our Board has pursuant to a resolution passed at its meeting dated on May 30, 2024, under Section 62(1)(a) of the Companies Act 2013, authorized the Issue of Right Equity Shares.
2. Our Company has obtained an In-principle approval from the NSE for listing our Equity Shares via right issue through the Letter No. NSE/LIST/C/2024/44141 dated October 16, 2024.

### B) INCORPORATION DETAILS

1. Certificate of Incorporation dated February 8, 2000 under the name of “Sikko Sprayers Private Limited” allotting Corporate Identification Number “U51909GJ2000PTC037329” was issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli.
2. Fresh Certificate of Incorporation dated March 16, 2010 under the name of “Sikko Sprayers Limited” allotting Corporate Identification Number “U51909GJ2000PLC037329” was issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli up on conversion into public limited company.
3. Fresh Certificate of Incorporation dated March 17, 2010 under the name of “Sikko Industries Limited” allotting Corporate Identification Number “U51909GJ2000PLC037329” was issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli pursuant to change of name of the Company.
4. The Corporate Identity Number (CIN) of the Company is U51909GJ2000PLC037329.

### C) APPROVALS/ LICENSES IN RELATION TO THE BUSINESS OF OUR COMPANY

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

| Sr. No. | Issuing Authority                     | Registration/License No.    | Nature of Registration/License      | Date of Registration | Valid Up to                 |
|---------|---------------------------------------|-----------------------------|-------------------------------------|----------------------|-----------------------------|
| 1.      | Income Tax Department                 | AAGCS0629C                  | Permanent Account Number (PAN)      | February 08, 2000    | Perpetual                   |
| 2.      | Income Tax Department                 | AHMS05869D                  | Tax Account Number (TAN)            | July 16, 2010        | Perpetual                   |
| 3.      | Legal Entity Identifier India Limited | LEI No. 335800KKKUIISOITJ07 | Certificate of Registration for LEI | August 04, 2021      | Valid up to August 04, 2025 |
| 4.      | Government of India and               | 27AAGCS0629C1ZN             | Certificate of Registration for GST | July 03, 2017        | Perpetual                   |



| Sr. No. | Issuing Authority                                       | Registration/License No. | Nature of Registration/License        | Date of Registration | Valid Up to |
|---------|---|--------------------------|---------------------------------------|----------------------|-------------|
|         | Government of Maharashtra                               |                          |                                       |                      |             |
| 5.      | Government of India and Government of India Gujarat     | 24AAGCS0629C1ZT          | Certificate of Registration for GST   | July 01, 2017        | Perpetual   |
| 6.      | Government of India and Government of Madhya Pradesh    | 23AAGCS0629C1ZV          | Certificate of Registration for GST   | July 01, 2017        | Perpetual   |
| 7.      | Government of India and Government of Odisha            | 21AAGCS0629C1ZZ          | Certificate of Registration for GST   | August 29, 2023      | Perpetual   |
| 8.      | Government of India and Government of West Bengal       | 19AAGCS0629C1ZK          | Certificate of Registration for GST   | June 01, 2018        | Perpetual   |
| 9.      | Government of India and Government of Rajasthan         | 08AAGCS0629C1ZN          | Certificate of Registration for GST   | July 01, 2017        | Perpetual   |
| 10.     | Government of India and Government of Himachal Pradesh  | 02AAGCS0629C1ZZ          | Certificate of Registration for GST   | May 15, 2024         | Perpetual   |
| 11.     | Government of India and Government of Uttar Pradesh     | 09AAGCS0629C1ZL          | Certificate of Registration for GST   | July 01, 2017        | Perpetual   |
| 12.     | Government of India and Government of Chhatisgarh       | 22AAGCS0629C2ZW          | Certificate of Registration for GST   | July 14, 2023        | Perpetual   |
| 13.     | Government of India and Government of Bihar             | 10AAGCS0629C2Z1          | Certificate of Registration for GST   | February 27, 2023    | Perpetual   |
| 14.     | Government of India and Government of Jammu and Kashmir | 01AAGCS0629C1Z1          | Certificate of Registration for GST   | November 26, 2024    | Perpetual   |
| 15.     | Government of India and Government of Assam             | 18AAGCS0629C1ZM          | Certificate of Registration for GST   | September 30, 2024   | Perpetual   |
| 16.     | Employee Provident Fund Organization                    | Code No. GJ/AHD/57438    | Employee Provident Fund code          | October 01, 2011     | Perpetual   |
| 17.     | Ministry of Commerce and Industry                       | 0803014261               | Certificate of Importer-Exporter Code | March 26, 2004       | Perpetual   |
| 18.     | Government of India Udyog Aadhar Memorandum -           | UDYAM-GJ-01-0031659      | Udyog Aadhar Number                   | December 14, 2020    | Perpetual   |



| Sr. No. | Issuing Authority   | Registration/License No.  | Nature of Registration/License  | Date of Registration | Valid Up to                   |
|---------|---|---|---|----------------------|-------------------------------|
|         | Ministry of Micro, Small Medium Enterprise  |   |   |                      |                               |
| 19.     | Factories Act, 1948<br>Dadra & Nagar Haveli, Silvassa   | License No.: 2216<br>Registration No.: 324/24219/2008                             | License to work a factory (Pesticides Unit)   | June 01, 2008        | Valid Up to December 31, 2024 |
| 20.     | Licensing Authority and Deputy Director of Agriculture (Pesticide) Gujarat State, Gandhinagar | License No. 477 issued on November 10, 2003 – <i>refer Table A provided below</i> | License to manufacture the Insecticide(s) at premises situated at 55 A&B, Ambica Estate, Nr. Super ATTA, Nr. Ambica Weight Bridge, Sanand, Virangam Highway, Iyara, Sanand, Dist. Ahmedabad | November 10, 2003    | Perpetual                     |
| 21.     | Deputy Director of Agriculture (Ext), Ahmedabad Division, Ahmedabad, Gujarat                  | License No. 4   | License to Sell, Stock, Exhibit for sales the Insecticide   | January 01, 2016     | Perpetual                     |
| 22.     | Deputy Director of Agriculture (Ext), Ahmedabad Division, Ahmedabad, Gujarat                  | License No. 2430  | License to Carry on the Business of a Dealer In Seeds   | April 10, 2012       | Valid up to April 09, 2026    |
| 23.     | Deputy Director of Agriculture (Ext), Ahmedabad Division, Ahmedabad, Gujarat                  | License No. 459   | License to Sales All Type of Fertilizer   | December 29, 2010    | Valid up to December 27, 2024 |
| 24.     | Gujarat Pollution Control Board   | Consent Order No. AWH-73328 (CCA) Pesticides                                      | Approval for the discharge of trade effluent & emission due to operation of industrial plant for manufacture of products  | June 13, 2024        | Valid up to March 31, 2029    |
| 25.     | Gujarat Pollution Control Board   | Consent Order No. CTE-112274 (CTE) Pesticides                                     | Approval for the discharge of trade effluent & emission due to operation of industrial plant for manufacture of products  | February 06, 2021    | Valid up to February 14, 2026 |
| 26.     | Gujarat Pollution Control Board   | Consent Order No. AWH-80702 (CCA) Fertilizer                                      | Approval for the discharge of trade effluent & emission due to operation of industrial plant for  | June 06, 2021        | Valid up to March 31, 2026    |





| Sr. No. | Issuing Authority  | Registration/License No.                                  | Nature of Registration/License  | Date of Registration | Valid Up to                    |
|---------|--|---|---|----------------------|--------------------------------|
|         |  |   | manufacture of products   |                      |                                |
| 27.     | Gujarat Pollution Control Board  | Consent Order No. AWH-80702 (CTE) Fertilizer              | Approval for the discharge of trade effluent & emission due to operation of industrial plant for manufacture of products  | June 06, 2021        | Valid up to March 31, 2026     |
| 28.     | Chemexcil  | Registration Number CHEM/AHD/S-623/SSM-ME/P-II-18-19/1946 | Export Import Basic Chemical Export Promotion Council   | March 30, 2024       | Valid up to March 31, 2025     |
| 29.     | FIEO   | Registration Number: AHD/1487/2021/2022                   | Export Import Federation of indian Export organisations   | March 30, 2024       | Valid up to March 31, 2025     |
| 30.     | Designated Officer Food and Drugs Control Administration, Ahmedabad Zone | License No. 10722999000795                                | Approval for Manufacturing, re-packing, re-labeling of Wheat, Masur, Urd Whole, Moong Whole, Channa Dal, Split pulse Masur, Rice, Toor Dal, Cumin, Sesame 0.6. Including whole selling and supplying of cereals and cereal products, derived from cereals grains, from roots and tubers, pulses, legumes (fresh pulses and legumes are covered in category 4.2) and pith or soft core of palm tree, excluding bakery wares of food category 07.0. | May 25, 2022         | Valid up to May 24, 2027       |
| 31.     | Director of Agriculture Gujarat State, Gandhinagar                       | No.IQ/QC-5/Export/661/102541-2574/2021                    | Chelated Zinc as Zn-EDTA<br>Chelated iron as Fe-EDTA  | December 21, 2021    | Valid up to December 31, 2024  |
| 32.     | Director of Agriculture Gujarat State, Gandhinagar                       | No.IQ/QC-5/Ferti Prmt/661/91204-237/2023                  | 100% Water Soluble Mixture of Fertiliser<br>NPK 19-19-19<br>NPK 20-20-20<br>NPK 13-40-13<br>NPK 13-05-26<br>NPK 06-12-36<br>NPK 16-08-24<br>NPK 00-60-20<br>NPK 00-49-32  | October 06, 2023     | Valid up to September 30, 2026 |
| 33.     | Director of Agriculture  | No.IQ/QC-5/Ferti Prmt/661/91238-271/2023                  | 100% Water Soluble Mixture of Fertiliser  | October 06, 2023     | Valid up to September 30, 2026 |



| Sr. No. | Issuing Authority  | Registration/License No.                       | Nature of Registration/License  | Date of Registration | Valid Up to                   |
|---------|--|--|---|----------------------|-------------------------------|
|         | Gujarat State, Gandhinagar   |  | Mono Ammonium Phosphate 12:61:00<br>Mono Potassium Phosphate 00:52:34<br>Calcium Nitrate<br>Potassium Nitrate 13-00-45<br>Urea Phosphate 17-44-00<br>Boronated Calcium Nitrate<br>Potassium Sulphate 00-00-50 |                      |                               |
| 34.     | Director of Agriculture Gujarat State, Gandhinagar                 | No.IQ/Seed-2/Registration/830/81188-89/2021    | Registration Of Research Variety / Hybrid for Supra-350 Gold-350  | September 16, 2021   | Valid up to October 19, 2025  |
| 35.     | APEDA, Ministry Of Commerce And Industry Govt. Of India            | Registration No 206982                         | Agricultural And Processed Food Products Export Development Authority   | January 13, 2021     | Valid up to January 12, 2026  |
| 36.     | Ministry of Micro, Small and Medium Enterprises                    | Udyam Registration Number: UDYAM-GJ-01-0031659 | MSME Udyog Aadhaar Registration Certificate   | December 14, 2020    | Perpetual                     |
| 37.     | Deputy Director of Agriculture, Madhya Pradesh, Indore             | License No. 2832                               | License to sell, stock, exhibit for sale or distribute our pesticides as  | October 07, 2016     | Perpetual                     |
| 38.     | Farmer Welfare And Agriculture Development, Madhya Pradesh, Bhopal | License No. SR.NO.PP-2/P.C./2024/415           | License to sale pesticides In Madhya Pradesh  | January 01, 2023     | Valid up to December 31, 2024 |
| 39.     | Gov. of Rajasthan Commissionerate Jaipur Rajasthan                 | License No. 141/17                             | License to sale pesticides In Rajasthan   | September 25, 2017   | Perpetual                     |
| 40.     | Joint Director of Agriculture (Input) Jaipur, Rajasthan            | License No. 1147 (Fertilizer)                  | License to sale Fertilizer In Rajasthan   | October 14, 2021     | Valid up to October 13, 2026  |
| 41.     | Joint Director of Agriculture (P.P) Lucknow UP                     | License No. 310/Q020/Permission/2023-24        | License to sale pesticides In Uttar Pradesh   | May 22, 2023         | Valid up to December 31, 2024 |
| 42.     | Department of Agriculture UP Officer of the PP Lucknow             | License No. PL/LKO/PPO/2111                    | License to sell, stock, exhibit for sale or distribute our pesticides as  | January 01, 2023     | Valid up to December 31, 2024 |
| 43.     | Govt. of West Bengal Dept of Agriculture                           | License Number: P10141                         | Licence To Sell, Stock Or Exhibit For Sale Or Distribute Insecticides   | March 13, 2020       | Perpetual                     |



| Sr. No. | Issuing Authority   | Registration/License No.                  | Nature of Registration/License  | Date of Registration | Valid Up to                   |
|---------|---|---|---|----------------------|-------------------------------|
|         | office of the JDA (PP&QC) West Bengal   |   |   |                      |                               |
| 44.     | Licensing Authority and Director of Agriculture (Input Quality Control) Pune MH | License Number: LCID2023020015            | License to sale pesticides In Pune Maharashtra  | February 08, 2023    | Perpetual                     |
| 45.     | Regional Provident Fund Commissioner Incharge, Sub-Regional Office, Ahmedabad   | Code No. GJ/AHD/57438                     | Registration with Regional Provident Fund Office for Depositing the Contribution and Subscription of the employees. | October 01, 2011     | Valid, till Cancelled         |
| 46.     | Employees State Insurance Corporation, Ashram Road, Ahmedabad                   | Code: 37001049580000301                   | Insurance for Employee – Fertilizer Unit  | July 10, 2014        | Valid, till Cancelled         |
| 47.     | Officer of Professional Tax, Ahmedabad  | PT No. PRC010728000024                    | Professional Tax Number   | -                    | Valid, till Cancelled         |
| 48.     | Gujarat Chamber of Commerce & Industry – Gujarat Vepari Mahamandal              | Membership No.: 32356                     | Membership in Gujarat Chamber of Commerce & Industry – Gujarat Vepari Mahamandal                                    | February 06, 2023    | Valid up to March 31, 2026    |
| 49.     | Director of Agriculture Gujarat State, Gandhinagar                              | NO. IQ/QC-5 Ferti Prmt/661/85666-588/2024 | NOC for sale of fertilizers specified in schedule - IV of FCO, 1985   | October 03, 2024     | Valid till September 30, 2026 |
| 50.     | Director of Agriculture Gujarat State, Gandhinagar                              | NO.IQ/QC-5Ferti Prmt/661/86623-656/2024   | NOC for sale of fertilizers specified in schedule - I of FCO, 1985  | October 03, 2024     | Valid till September 30, 2026 |
| 51.     | Director of Agriculture Gujarat State, Gandhinagar                              | NO. IQ/QC-5 Ferti Prmt/661/86521-554/2024 | NOC for sale of fertilizers specified in schedule - III of FCO, 1985  | October 03, 2024     | Valid till September 30, 2026 |

**TABEL A**

| Sr. No. | Particulars of the insecticide [+ % of W/W AI + Type] | Registration No                                  | Date of grant of License | Validity of License | Remarks     |
|---------|---|--|--------------------------|---------------------|-------------|
| 1.      | 2-4-D Amine Salt-58% S.L.                             | CIR-60,826/2008-2,4-D, Amine Salt(SL)(292)-1269  | 19.09.2008               | Permanent           | Hotsik      |
| 2.      | 2-4-D, Ethyl Ester-38% EC                             | CIR-57,115/2007-2-4-D Ethyl Ester(EC)(275)-1200  | 01.06.2007               | Permanent           | Sikko 2-4-D |
| 3.      | 2,4-D Ethyl Ester-20% WP                              | CIR-136134/2016-2,4-D ETHYL ESTER (WP) (354)-444 | 05.12.2018               | Permanent           | 2-4-D-20    |
| 4.      | Acephate-75% SP                                       | CIR-38,283(219)/2002/Acephate(SP)-848            | 23.05.2002               | Permanent           | Sikthen     |
| 5.      | Acephate-95% SG (w/w)                                 | CIR 149490/2018-Acephate (SG) (386)-988          | 15.03.2018               | Permanent           | Sikphate-95 |



| Sr. No. | Particulars of the insecticide [+ % of W/W AI + Type] | Registration No   | Date of grant of License | Validity of License | Remarks     |
|---------|---|---|--------------------------|---------------------|-------------|
| 6.      | Acephate-50% +Imida-1.8% SP                           | CIR-104360/2013- Acephate +Imida- (SP)(335)-1                   | 29.01.2013               | Permanent           | Anchor Gold |
| 7.      | Acetamiprid-20% SP                                    | CIR-49,025/2004-Acetamiprid(SP)(246) –197                       | 12.10.2004               | Permanent           | Sikpride    |
| 8.      | Alphacypermethrin-10% EC                              | CIR-38,168/(219)/2002-Alphacypermethrin(EC)-38                  | 28.06.2002               | Permanent           | Alphasik    |
| 9.      | Alphacypermethrin-10% SC                              | CIR-149488/2018-Alphacypermethrin (SC) (386)-256                | 15.03.2018               | Permanent           | Alpha-10    |
| 10.     | Alphacypermethrin-5% WP                               | CIR-149487/2018-Alphacypermethrin (WP) (386)-1007               | 15.03.2018               | Permanent           | Alpha-5     |
| 11.     | Ammonium Salt Glyphosate-71% SG                       | CIR-136325/2017-Ammonium Salt of Glyphosate (SG) (372)-729      | 01.02.2017               | Permanent           | Gatur – 71  |
| 12.     | Altrazine-50% WP                                      | CIR-58,533/2007-Altrazine(WP)(282)-412                          | 23.11.2007               | Permanent           | Atrasik     |
| 13.     | Bifenthrin-10% EC                                     | CIR-64,608/2010-Bifenthrin(EC) (310)-92                         | 08.09.2010               | Permanent           | Bifensik    |
| 14.     | Buprofenzin-25% SC                                    | CIR-103984/2013-Buprofezin (SC)(334)-1                          | 02.01.2013               | Permanent           | Buprosik    |
| 15.     | Bifenthrin-8% SC                                      | CIR-139145/2017-Bifenthrin (SC) (375)-564                       | 05.12.2018               | Permanent           | Bifen-8     |
| 16.     | Bifenthrin-2.5% EC                                    | CIR-149729/2018-Bifenthrin (EC) (379)-819                       | 17.03.2018               | Permanent           | Bifen-2.5   |
| 17.     | Carbendazim-50% WP                                    | CIR-145808/2018-Carbendazim (WP) (380)-966                      | 17.02.2018               | Permanent           | Sikstin     |
| 18.     | Carbendazim-46.27 % SC                                | CIR-145811/2018-Carbendazim (SC) (380)-967                      | 17.02.2018               | Permanent           | Carbensik   |
| 19.     | Carbendazim-5% GR                                     | CIR-149482/2018-Carbendazim (GR) (386)-1066                     | 15.03.2018               | Permanent           | Carbenda    |
| 20.     | Carbendazim-1.92% + Mancozeb-10.08% GR                | CIR-149493/2018-Carbendazim + Mancozeb (GR)(386)-1067           | 15.03.2018               | Permanent           | Carzeb-Gr   |
| 21.     | Carbendazim-12%+Mancozeb-63% WP                       | CIR-103986/2013-Carbendazim+Mancozeb(WP)(334)-1                 | 02.01.2013               | Permanent           | Combosik    |
| 22.     | Carbendazim-25% + Mancozeb-50% WS                     | CIR-152043/2018-CARBENDAZIM + MANCOZEB (WS) (389)-1132          | 05.12.2018               | Permanent           | Carmasik    |
| 23.     | Carbosulfan-25% EC                                    | CIR-47,677/2004-Carbosulfan(EC)(242)-89                         | 04.03.2004               | Permanent           | Carbosik    |
| 24.     | Cartap Hydrochloride-4% GR                            | CIR-56,074/2007-Cartap Hydrochloride (GR)(272)-808              | 12.02.2007               | Permanent           | Sikcart     |
| 25.     | Cartap Hydrochloride-50% SP                           | CIR-60,827/2008-Cartap Hydrochloride(SP)(292)-918               | 19.09.2008               | Permanent           | Cartsik     |
| 26.     | Cartap Hydrochloride-75% SG                           | CIR-150526/2018-Cartap Hydrochloride (SG) (387)-864             | 13.04.2018               | Permanent           | Cartap-75   |
| 27.     | Chlorpyrifos-50% EC                                   | CIR-103985/2013-Chlorpyrifos (EC)(334)-1                        | 02.01.2013               | Permanent           | Chlorsik    |
| 28.     | Chlorpyrifos-16% + Alphacypermethrin-1% EC            | CIR-149484/2018-Chlorpyrifos + Alphacypermethrin (EC) (386)-602 | 15.03.2018               | Permanent           | Chlothrin   |
| 29.     | Chlorpyriphos-20% EC                                  | CIR-38,166/2002(219)/Chlorpyriphos(EC)-2277                     | 18.06.2002               | Permanent           | Sikkoban    |

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| 30.     | Chlorpyrifos-10% GR                                   | CIR-150522/2018-Chlorpyrifos (GR) (387)-622                   | 13.04.2018               | Permanent           | Bansik-Gr    |
| 31.     | Chlorpyrifos-1.5% DP                                  | CIR-149486/2018-Chlorpyrifos (DP) (386)-1151                  | 15.03.2018               | Permanent           | Chloro-Dp    |
| 32.     | Chlorpyrifos-50% + Cypermethrin-5% EC                 | CIR-38,295 (219) / 202-Chlorpyrifos + Cypermethrin (EC)-2287  | 18.06.2002               | Permanent           | Lenocet      |
| 33.     | Clodinafop Propagyl-9% + Metribuzin-20% WP            | CIR-150525/2018-Clodinafop Propagyl +Metribuzin (WP) (387)-90 | 13.04.2018               | Permanent           | Clom-920     |
| 34.     | Copper Oxychloride-50% WG                             | CIR-154768/2018-Copper Oxychloride (WG)(391)-314              | 05.12.2018               | Permanent           | Blue-Dg      |
| 35.     | Copper Oxy Chloride-56% OP                            | CIR-152118/2018-Copper Oxy Chloride (OP) (389)-297            | 05.12.2018               | Permanent           | Moxride      |
| 36.     | Copper Oxychloride-50% WP                             | CIR-56,078/2007-Copper Oxychloride (WP)(272)-958              | 12.02.2007               | Permanent           | Bluesik      |
| 37.     | Cypermethrin-25% EC                                   | CIR-38,246/(219)/2002-Cypermethrin(EC)-1747                   | 23.05.2002               | Permanent           | Sikkorin-25  |
| 38.     | Cypermethrin-0.1% aqueous                             | CIR-149485/2018-Cypermethrin (aqueous) (386)-1006             | 15.03.2018               | Permanent           | Cyper-Aqua   |
| 39.     | Cypermethrin-0.25% DP                                 | CIR-149481/2018-Cypermethrin (DP) (386)-1004                  | 15.03.2018               | Permanent           | Sikkorin-Dp  |
| 40.     | Cypermethrin-3% Smoke Generator                       | CIR-149518/2018-Cypermethrin (Smoke Generator) (386)-1008     | 15.03.2018               | Permanent           | Smosik       |
| 41.     | Cypermethrin-10% EC                                   | CIR-149483/2018-Cypermethrin (EC) (386)-1005                  | 15.03.2018               | Permanent           | Sikkorin-10  |
| 42.     | Deltamethrin-11% EC                                   | CIR-122072/2015-Deltamethrin (EC)(352)-288                    | 19.03.2015               | Permanent           | Deltasik     |
| 43.     | Diafenthiuron-50% WP                                  | CIR-104367/2013-Diafenthiuron (WP)(335)-1                     | 30.01.2013               | Permanent           | Olasik       |
| 44.     | Diafenthiuron-47.8% w/w SC                            | CIR-159007/2019-Diafenthiuron (SC) (395)-483                  | 24.02.2019               | Permanent           | Olo-Sc       |
| 45.     | Dicofol-18.5% EC                                      | CIR-47,638/2004-Dicofol(EC)(242) -481                         | 03.03.2004               | Permanent           | Sikkofol     |
| 46.     | Emamectin Benzoate-1.9% EC                            | CIR-138208/2017-Emamectin Benzoate (EC) (374)-359             | 20.05.2017               | Permanent           | Khanjar Plus |
| 47.     | Emamectin Benzoate-5% SG                              | CIR-101409/2012- Emamectin Benzoate (SG)(325)-1               | 13.02.2012               | Permanent           | O-Claim      |
| 48.     | Emamectin Benzoate-1.5% + Fipronil-3.5% SC            | CIR-159011/2019-Emamectin Benzoate + Fipronil (SC) (395)-1049 | 24.02.2019               | Permanent           | Femasik      |
| 49.     | Ethephon-39% SL                                       | CIR-103987/2013-Ethephon (SL)(334)-1                          | 02.01.2013               | Permanent           | Ethesik      |
| 50.     | Ethion-50% EC   | CIR-60,829/2008-Ethion(EC)(292)-918                           | 19.09.2008               | Permanent           | Sikmite      |
| 51.     | Fenvalerate-0.4% DP                                   | CIR-38257/(219) 2002-Fenvalerate(DP)-687                      | 18.06.2002               | Permanent           | Sikkofen-Dp  |
| 52.     | Fenvalerate-20% EC                                    | CIR-38,284/(219)/2002-Fenvalerate(EC)-1689                    | 24.05.2002               | Permanent           | Sikkofen     |
| 53.     | Fipronil-0.3% GR                                      | CIR-104361/2013- Fipronil (GR)(335)-1                         | 29.01.2013               | Permanent           | Mundamar     |
| 54.     | Fipronil-5% SC  | CIR-61,764/2009-Fipronil(SC)(296)-290                         | 16.03.2009               | Permanent           | Siknil       |
| 55.     | Fipronil-80% WG                                       | CIR-141313/2017-Fipronil (WG) (377)-1193                      | 05.11.2017               | Permanent           | Fightsik     |

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| 56.     | Fipronil-2.92% w/w EC   | CIR-149489/2018-Fipronil (EC) (386)-1708                          | 15.03.2018               | Permanent           | Fipro-2.92 |
| 57.     | Fipronil-40% + Imidacloprid-40% WG                              | CIR-141314/2017-Fipronil + Imidacloprid (WG)                      | 05.11.2017               | Permanent           | Congo      |
| 58.     | Flubendiamide-39.35% m/m SC                                     | CIR-122226/2015-Flubendiamide (SC)( 352)-76                       | 19.03.2015               | Permanent           | Flubensik  |
| 59.     | Gibberellic Acid-0.001% L                                       | CIR-149494/2018-Gibberellic Acid (L) (386)-544                    | 15.03.2018               | Permanent           | Gibrasik   |
| 60.     | Gibberellic acid-0.186% SP                                      | CIR-149495/2018-Gibberellic acid (SP) (386)-545                   | 15.03.2018               | Permanent           | Gibro      |
| 61.     | Glyphosate-41% SL   | CIR-56,077/2007-Glyphosate (SL)(272)-383                          | 12.02.2007               | Permanent           | Glysik     |
| 62.     | Hexaconazole-5% EC  | CIR-56,075/2007-Hexaconazole (EC) (272)-413                       | 12.02.2007               | Permanent           | Hexasik    |
| 63.     | Hexaconazole 5% SC  | CIR-62,392/2009-Hexaconazole 5%(SC)(298)-566                      | 21.05.2009               | Permanent           | Sikkotaf   |
| 64.     | Hexaconazole-2% SC  | CIR-150523/2018-Hexaconazole (SC) (387)-964                       | 13.04.2018               | Permanent           | Hexa-2     |
| 65.     | Hexaconazole-75% WG   | CIR-150527/2018-Hexaconazole (WG) (387)-965                       | 13.04.2018               | Permanent           | Taf-75     |
| 66.     | Imazethapyr-10% SL  | CIR-54,640/2006-Imazethapyr (SL)(266)-18                          | 30.08.2006               | Permanent           | Imizasik   |
| 67.     | Imidacloprid-17.8% SL   | CIR-47,637/2004-Imidacloprid (SL)(242)-598                        | 03.03.2004               | Permanent           | Sikkomida  |
| 68.     | Imidacloprid-30.5% SC   | CIR-102242/2012-Imidacloprid (SC)(329)-3                          | 30.06.2012               | Permanent           | Midasik    |
| 69.     | Imidachlopride-70% WS   | CIR-57,114/2007-Imidachlopride(W)(275)-1095                       | 01.06.2006               | Permanent           | Mida Powar |
| 70.     | Imidacloprid-70% WG   | CIR-145810/2018-Imidacloprid (WG) (380)-1835                      | 17.02.2018               | Permanent           | Midaton    |
| 71.     | Imidacloprid-2.15% Gel  | CIR-151095/2018-Imidacloprid (Gel) (388)-2078                     | 05.12.2018               | Permanent           | Mida-Gel   |
| 72.     | Imidacloprid-48% FS   | CIR-151094/2018-Imidacloprid (FS) (388)-2077                      | 05.12.2018               | Permanent           | Mida-Fs    |
| 73.     | Imidacloprid-18.5% + Hexaconazole-1.5% FS for indi. Manufacture | CIR-150528/2018-Imidacloprid + Hexaconazole (FS) (387)-2055       | 13.04.2018               | Permanent           | Hemisik    |
| 74.     | Indoxacarb-14.5% SC   | CIR-64,609/2010-Indoxacarb (SC)(310)-377                          | 08.09.2010               | Permanent           | Sikkovant  |
| 75.     | Isoprothiolane-40 % EC  | CIR-145809/2018-Isoprothiolane (EC) (380)-76                      | 17.02.2018               | Permanent           | Isosik     |
| 76.     | Lambdacyhalothrin-5% EC   | CIR-52,135/2005-Lambdacyhalothrin(EC)(257)-411                    | 23.12.2005               | Permanent           | Lemsik     |
| 77.     | Lambda-cyhalothrin-4.9% CS                                      | CIR-149730/2018-Lambda-cyhalothrin (Capsule Suspension) (379)-913 | 17.03.2018               | Permanent           | Lacycap    |
| 78.     | Lime Sulphur-22% SC   | CIR-43,480/2003-Lime Sulphur(S.C.)(230)-1065                      | 11.03.2003               | Permanent           | Sulpho     |
| 79.     | Malathion-50% EC  | CIR-64,607/2010-Melasik (EC) (310)-2562                           | 08.09.2010               | Permanent           | Malasik    |
| 80.     | Mencozeb-75% WP   | CIR-50,969/2005-Mencozeb (WP)(246)-922                            | 30.07.2005               | Permanent           | Sikkozeb   |
| 81.     | Metalaxyl-35% WS  | CIR-149732/2018-Metalaxyl (WS) (379)-452                          | 17.03.2018               | Permanent           | Metasik    |





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| 82.     | Metalaxyl-8% + Mancozeb-64% WP  | CIR-53,234/2006-Metalaxyl + Mancozeb (WP)(262)-372                  | 18.05.2006               | Permanent           | Memsik     |
| 83.     | Metribuzin-70% WP   | CIR-103983/2013-Metribuzin (WP)(334)-1                              | 02.01.2013               | Permanent           | Metrisik   |
| 84.     | Metribuzin-42% + Clodinafop propagyl-12% WG for indi. Mfg               | CIR-150524/2018-Metribuzin + Clodinafop propagyl (WG) (387)-372     | 13.04.2018               | Permanent           | Clometri   |
| 85.     | Metsulfuron Methyl-20% WP   | CIR-53,189/2006-Metsulfuron Methyl(WP)(262)-99                      | 17.05.2006               | Permanent           | Sikgrip    |
| 86.     | Monocrotophos-36% SL  | CIR-38115(219)/2002/Monocrotophos(SL)-1528                          | 24.05.2002               | Permanent           | Sikkocil   |
| 87.     | Neem Oil Based-EC containing Azadirachtin-0.03% (300PPM)                | CIR-103988/2013-Neem Oil Based-EC (containing Azadirachtin) (334)-1 | 02.01.2013               | Permanent           | Azasik     |
| 88.     | Neem Seed Kernal Based EC Containing Azadirachtin-1% EC (10000ppm Mim.) | CIR-54,638/2006-Azadirachtin (EC)(266)-967                          | 30.08.2006               | Permanent           | Neemsik    |
| 89.     | Oxyfluorfen-23.5% EC  | CIR-104369/2013- Oxyfluorfen-23.5% (EC)(335)-1                      | 30.01.2013               | Permanent           | Oxysik     |
| 90.     | Paraquate Dichlorite-24% SL   | CIR-56,076/2007-Paraquate Dichloride(SL)(272)-195                   | 12.02.2007               | Permanent           | Parasik    |
| 91.     | Pendimethalin-30% EC  | CIR-43,577/2003-Pendimethalin (E.C)(230)-132                        | 13.03.2003               | Permanent           | Pendisik   |
| 92.     | Pendimethalin-38.7% CS  | CIR-135931/2016-Pendimethalin (CS) (370)-435                        | 05.12.2018               | Permanent           | Pensik     |
| 93.     | Pendimethalin-30% + Imazethapyr-2% EC                                   | CIR-141694/2017-Pendimethalin + Imazethapyr(EC) (377)-595           | 08.11.2017               | Permanent           | Penthask   |
| 94.     | Permethrin-25% EC   | CIR-122227/2015 Permethrin (EC)(352)-72                             | 19.03.2015               | Permanent           | Benesik    |
| 95.     | Pretilachlor-30.7% EC   | CIR-149607/2018-Pretilachlor (EC) (386)-692                         | 15.03.2018               | Permanent           | Preclo     |
| 96.     | Pretilachlor-50% EC   | CIR-149608/2018-Pretilachlor (EC) (386)-693                         | 15.03.2018               | Permanent           | Pretilasik |
| 97.     | Pretilachlor-37% w/w EW   | CIR-149606/2018-Pretilachlor (EW) (386)-691                         | 15.03.2018               | Permanent           | Prelor     |
| 98.     | Profenophos-40% + Cypermethrin-4% EC                                    | CIR-60,830/2008-Profenophose +Cypermethrin (EC)(292)-871            | 19.09.2008               | Permanent           | Cyprosik   |
| 99.     | Profenophos-50% EC  | CIR-53,185/2006-Profenophos [EC)(262)-668                           | 17.05.2006               | Permanent           | Prosik     |
| 100.    | Propargite-57% EC   | CIR-61,765/2009-Propargite(EC)(296)-56                              | 16.03.2009               | Permanent           | Mitesik    |
| 101.    | Propiconazole-25% EC  | CIR-159008/2019-Propiconazole (EC) (395)-648                        | 24.02.2019               | Permanent           | Propisik   |
| 102.    | Quinalphos-1.5% DP  | CIR-38,169/(219)/2002/Quinalphos(DP)-1388                           | 18.06.2002               | Permanent           | Sikquin-Dp |
| 103.    | Quinalphos-25% EC   | CIR-38,179(219)/2002/Quinalphos (EC)-1389                           | 18.06.2002               | Permanent           | Sikquin    |
| 104.    | Spinosad-45% SC   | CIR-52,121/2005-Spinosad(SC) (257)-240                              | 23.12.2005               | Permanent           | Sinosik    |
| 105.    | Sulfosulfuron-75% WG  | CIR-103982/2013-Sulfosulfuron (WG)(334)-2                           | 02.01.2013               | Permanent           | Furosik    |

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| 106.    | Sulphur-80 % WP   | CIR-39197/2002-Sulphur (W.P)-902                                  | 26.04.2002               | Permanent           | Siksulf    |
| 107.    | Sulphur-40% SC  | CIR-149498/2018-Sulphur (SC) (386)-986                            | 15.03.2018               | Permanent           | Sulpho-Sc  |
| 108.    | Sulphur-55.16% SC   | CIR-149500/2018-Sulphur (SC) (386)-987                            | 15.03.2018               | Permanent           | Sulf Power |
| 109.    | Sulphur-80% WDG   | CIR-149503/2018-Sulphur (WDG) (386)-988                           | 15.03.2018               | Permanent           | Sulsik     |
| 110.    | Thimethoxam-25% WG  | CIR-54,639/2006-Thimethoxam (WG)(266)-223                         | 30.08.2006               | Permanent           | Siktara    |
| 111.    | Thiamethoxam-30% FS   | CIR-149731/2018-Thiamethoxam (FS) (379)-1261                      | 17.03.2018               | Permanent           | Sikthim    |
| 112.    | Thiamethoxam-12.6% +Lambda-Cyhalothrin-9.5% ZC for indi.mfg           | CIR-149688/2018-Thiamethoxam + Lambda-Cyhalothrin (ZC) (379)-1258 | 17.03.2018               | Permanent           | Thailem    |
| 113.    | Thiophanate Methyl-70% WP   | CIR-54,637/2006-Thiophanate Methyl (WP)(266)-176                  | 30.08.2006               | Permanent           | Topsik     |
| 114.    | Thirum-75% WS   | CIR-47,639/2004-Thirum(W.S)(242)-328                              | 03.03.2004               | Permanent           | Sikthirum  |
| 115.    | Triaccontanol-0.05% EC  | CIR-65,539/2011-Triaccontanol (EC)(314)-561                       | 08.03.2011               | Permanent           | Siculan    |
| 116.    | Tricyclozole-70% WG   | CIR-145807/2018-TRICYCLAZOLE (WG) (380)-395                       | 17.02.2018               | Permanent           | Tricosik   |
| 117.    | Tricyclazole-75% WP   | CIR-139148/2017-Tricyclazole (WP) (375)-323                       | 05.12.2018               | Permanent           | Sikkozole  |
| 118.    | Tricyclozole-18%+Mancozeb-62% WP                                      | CIR-104368/2013-Tricyclozole-18% +Mancozeb (WP)(335)-1            | 30.01.2013               | Permanent           | Trimasik   |
| 119.    | Validamycin-3% L  | CIR-140482/2017-Validamycin (L) (375)-216                         | 12.07.2017               | Permanent           | Validasik  |
| 120.    | Acetamiprid 1.1% + Cypermethrin 5.5% W/W EC                           | Cir-164048/2019-Acetamiprid + Cypermethrin (Ec) (399)-676         | 10.5.2019                | Permanent           | Aceper     |
| 121.    | Buprofezin 22% + Fipronil 3% SC                                       | Cir-164049/2019-Buprofezin + Fipronil (Sc) (399)-1014             | 10.5.2019                | Permanent           | Bufisik    |
| 122.    | Emamectin Benzoate 3.0% + Thiamethoxam 12.0% WG                       | Cir-165321/2019-Emamectin Benzoate + Thiamethoxam (Wg) (402)-1368 | 29.5.2019                | Permanent           | Benzomax   |
| 123.    | Tebuconazole 6.7% + Captan 26.9% W/W SC                               | Cir-164170/2019-Tebuconazole + Captan (Sc) (399)-1049             | 10.5.2019                | Permanent           | Tebcap     |
| 124.    | Diafenthiuron 40.1% + Acetamiprid 3.9% WP                             | Cir-165952/2019-Diafenthiuron + Acetamiprid (Wp) (402)-615        | 30.5.2019                | Permanent           | Dicet      |
| 125.    | Azoxystrobin 11% + Tebuconazole 18.3% W/W SC                          | CIR-168493/2020-Azoxystrobin + Tebuconazole (SC) (411)-746        | 20.3.2020                | Permanent           | Azotob     |
| 126.    | Azoxystrobin 12.5% + Tebuconazole 12.5% SC For Indigenous Manufacture | CIR-168494/2020-Azoxystrobin + Tebuconazole (SC) (411)-747        | 20.3.2020                | Permanent           | Tebuzo     |

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| 127.    | Azoxystrobin 18.2% W/W + Difenoconazole 11.4% W/W SC For Indigenous Manufacture | CIR-168501/2020-Azoxystrobin + Difenoconazole (SC) (411)-749                   | 20.3.2020                | Permanent           | Azodi       |
| 128.    | Azoxystrobin 23% SC For Indigenous Manufacture                                  | CIR-168495/2020-Azoxystrobin (SC) (411)-748                                    | 20.3.2020                | Permanent           | Azobin      |
| 129.    | Difenoconazole 25% EC   | CIR-168497/2020-Difenoconazole (EC) (411)-305                                  | 20.3.2020                | Permanent           | Disosik     |
| 130.    | Propiconazole 13.9% W/W + Difenoconazole 13.9% W/W EC                           | CIR-168496/2020-Propiconazole + Difenoconazole (EC) (411)-771                  | 20.3.2020                | Permanent           | Prodi       |
| 131.    | Tebuconazole 25% WG   | CIR-168500/2020-Tebuconazole (WG) (411)-1190                                   | 20.3.2020                | Permanent           | Tebu-25     |
| 132.    | Tebuconazole 10% + Sulphur 65% WG   | Cir-168498/2020-Tebuconazole + Sulphur (Wg) (411)-1189                         | 20.3.2020                | Permanent           | Tebusik     |
| 133.    | Azoxystrobin 7.1% + Propiconazole 11.9 % W/W SE                                 | Cir-172564/2020-Azoxystrobin +Propiconazole (Se) (418)-940                     | 23.7.2020                | Permanent           | Azopro      |
| 134.    | Tebuconazole 25.9% EC   | CIR-172563/2020-Tebuconazole (EC) (418)-1331                                   | 23.7.2020                | Permanent           | Tebu Plus   |
| 135.    | Zinc Phosphide 1% Bait  | Cir-173140/2020-Zinc Phosphide (Bait) (399)-169                                | 10.08.2020               | Permanent           | Ratgo       |
| 136.    | Zinc Phosphide 2% RB  | CIR-173139/2020-Zinc Phosphide (RB) (399)-168                                  | 10.08.2020               | Permanent           | Ratsik      |
| 137.    | Zinc Phosphide 80% W/W  | Cir-173138/2020-Zinc Phosphide (399)-167                                       | 10.08.2020               | Permanent           | Ratfire     |
| 138.    | Aluminium Phosphide 6% Tablet   | Cir-173141/2020-Aluminium Phosphide (Tablet)(399)-84                           | 10.08.2020               | Permanent           | Sikphos     |
| 139.    | Aluminium Phosphide 15 % Tablet   | CIR-173144/2020-Aluminium Phosphide (Tablet)(399)-87                           | 10.08.2020               | Permanent           | Sikphos     |
| 140.    | Aluminium Phosphide 56% (F) Tablet  | CIR-173143/2020-Aluminium Phosphide (Tablet)(399)-86                           | 10.08.2020               | Permanent           | Sikphos     |
| 141.    | Aluminium Phosphide 77.5% Gr  | Cir-173142/2020-Aluminium Phosphide (Gr)(399)-85                               | 10.08.2020               | Permanent           | Sikphos     |
| 142.    | Neem Seed Kernel Based Ec Containing Azadirachtin 0.15% EC (1500 Ppm) Min       | Cir-176188/2021-Neem Seed Kernel Based Ec (Containing Azadirachtin) (424)-1832 | 09.02.2021               | Permanent           | Neemtej     |
| 143.    | Carbofuran 3% CG  | Cir-176187/2021-Carbofuran (Cg) (424)-345                                      | 09.02.2021               | Permanent           | Sikfuran-3g |
| 144.    | Fenobucarb (B.P.M.C) 50% EC   | Cir-176191/2021-Fenobucarb (B.P.M.C) (Ec) (424)-196                            | 09.02.2021               | Permanent           | Fenosik     |
| 145.    | Fipronil 0.05% Gel  | Cir-176190/2021-Fipronil (Gel) (424)-3489                                      | 09.02.2021               | Permanent           | Cocrosik    |
| 146.    | Triacantanol Gr 0.05% Min.  | Cir-176189/2021-Triacantanol (Gr) (424)-516                                    | 09.02.2021               | Permanent           | Vasool      |
| 147.    | Azoxystrobin 16.7 % + Tricyclazole 33.3% SC                                     | Cir-183171/2021-Azoxystrobin +Tricyclazole (Sc) (428)-1487                     | 08.07.2021               | Permanent           | Azozole     |
| 148.    | Paclobutrazole 23% SC   | CIR-185560/2021-Paclobutrazole (SC) (425)-42                                   | 27.07.2021               | Permanent           | Cutstar     |

| Sr. No. | Particulars of the insecticide [+ % of W/W AI + Type] | Registration No  | Date of grant of License | Validity of License | Remarks        |
|---------|---|--|--------------------------|---------------------|----------------|
| 149.    | Paclobutrazole 40% SC                                 | Cir-177946/2021-Paclobutrazole (Sc) (425)-8                          | 20.04.2021               | Permanent           | Cutstar Plus   |
| 150.    | Imidacloprid 0.3% GR                                  | CIR-191341/2021-Imidacloprid (GR) (430)-3904                         | 20.09.2021               | Permanent           | Mida-Gr        |
| 151.    | Sulphur 85% DP  | CIR-191342/2021-Sulphur (DP) (430)-2308                              | 20.09.2021               | Permanent           | Sikksulphar-Dp |
| 152.    | Fenpyroximate 5% EC                                   | CIR-219556/2022-Fenpyroximate (EC) (442)-101                         | 10.12.2022               | Permanent           | Redomite       |
| 153.    | Chlorantraniliprole 9.3% + Lambdacyhalothrin 4.6% ZC  | Cir-219430/2022-Chlorantraniliprole +Lambdacyhalothrin (Zc) (442)-31 | 10.12.2022               | Permanent           | Salami         |
| 154.    | Chlorantraniliprole 18.5% W/W SC                      | CIR-219532/2022-Chlorantraniliprole (SC) (442)-220                   | 10.12.2022               | Permanent           | Corasik        |
| 155.    | Chlorantraniliprole 8.8% + Thiamethoxam 17.5% SC      | Cir-219414/2022-Chlorantraniliprole +Thiamethoxam (Sc) (442)-30      | 10.12.2022               | Permanent           | Volisik        |
| 156.    | Alpha Naphthyl Acetic Acid 4.5% SL                    | Cir-219404/2022-Alpha Naphthyl Acetic Acid(Sl) (442)-33              | 10.12.2022               | Permanent           | Growsik        |
| 157.    | Pyriproxyfen 10% EC                                   | CIR-192423/2021-Pyriproxyfen (EC) (431)-443                          | 27.09.2021               | Permanent           | Pyrisik        |
| 158.    | Pyriproxyfen 0.5% GR                                  | CIR-192424/2021-Pyriproxyfen (GR) (431)-444                          | 27.09.2021               | Permanent           | Pyrisik-GR     |
| 159.    | Bromadiolone 0.005% RB                                | CIR-228783/2022-Bromadiolone (RB) (442)-62                           | 11.12.2022               | Permanent           | Rate Cake      |
| 160.    | D - Trans Allethrin 0.25% Aerosol                     | Cir-228774/2022-D - Trans Allethrin (Aerosol) (442)-43               | 11.12.2022               | Permanent           | Kill – Kill    |
| 161.    | Chlorantraniliprole 4.3% W/W + Abamectin 1.7% W/W SC  | Cir-247997/2023-Chlorantraniliprole + Abamectin (Sc) (442)-105       | 21.01.2023               | Permanent           | Abacor         |
| 162.    | Diafenthiuron 30% + Pyriproxyfen 8% SE                | Cir-248091/2023-Diafenthiuron + Pyriproxyfen (Se) (442)-80           | 21.01.2023               | Permanent           | Diapy          |
| 163.    | Dinotefuran 4% + Acephate 50% SG                      | Cir-248093/2023-Dinotefuran + Acephate (Sg) (442)-57                 | 21.01.2023               | Permanent           | Dinophate      |
| 164.    | Dinotefuran 15% + Pymetrozine 45% WG                  | Cir-248097/2023-Dinotefuran + Pymetrozine (Wg) (442)- 129            | 21.01.2023               | Permanent           | Dinozine       |
| 165.    | Fenpyroximate 5% SC                                   | CIR-248100/2023-Fenpyroximate (SC) (442)-101                         | 21.01.2023               | Permanent           | Mitemate       |
| 166.    | Kasugamycin 3% SL                                     | CIR-248115/2023-Kasugamycin (SL) (442)-165                           | 21.01.2023               | Permanent           | Kasusik        |
| 167.    | Lufenuron 5.4% EC                                     | CIR-248122/2023-Lufenuron (EC) (442)-131                             | 21.01.2023               | Permanent           | Lufesik        |
| 168.    | Metalaxyl-M 3.3% + Chlorothalonil 33.1% SC            | Cir-248136/2023-Metalaxyl-M + Chlorothalonil (Sc) (442)-48           | 21.01.2023               | Permanent           | Metacor        |
| 169.    | Novaluran 5.25% + Emamectin Benzoate 0.9% W/W SC      | Cir-248157/2023-Novaluran + Emamectin Benzoate (Sc) (442)-261        | 21.01.2023               | Permanent           | Emanov         |
| 170.    | Propargite 50% + Bifenthrin 5% SE                     | Cir-248163/2023-Propargite + Bifenthrin (Se) (442)-54                | 21.01.2023               | Permanent           | Probisik       |
| 171.    | Azoxystrobin 4.8% W/W +                               | Cir-252102/2023-Azoxystrobin +Chlorothalonil (Sc) (443)-169          | 04.02.2023               | Permanent           | Azoclo         |



| Sr. No. | Particulars of the insecticide [+ % of W/W AI + Type] | Registration No                                       | Date of grant of License | Validity of License | Remarks   |
|---------|---|---|--------------------------|---------------------|-----------|
|         | Chlorothalonil 40.0% W/W SC                           |   |                          |                     |           |
| 172.    | Cymoxanil 8% + Mancozeb 64% WP                        | Cir-252087/2023-Cymoxanil + Mancozeb (Wp) (443)-286   | 04.02.2023               | Permanent           | Cymasik   |
| 173.    | Pendimethalin 5% Granules                             | Cir-256470/2023-Pendimethalin (Granules) (443)-166    | 04.02.2023               | Permanent           | Pendi-Gr  |
| 174.    | Azoxystrobin 11.5% + Mancozeb 30% W/W WP              | Cir-168564/2020-Azoxystrobin + Mancozeb(Wp) (411)-751 | 23.03.2020               | Permanent           | Mazosik   |
| 175.    | Difenoconazole 3% WS                                  | Cir-168499/2020-Difenoconazole (Ws) (411)-306         | 20.03.2020               | Permanent           | Difen-Ws  |
| 176.    | Fenpropathrin 10% EC                                  | Cir-157115/2018-Fenpropathrin (Ec) (393)-90           | 13.10.2018               | Permanent           | Fenpro-10 |
| 177.    | Fenpropathrin 30 % EC                                 | Cir-157116/2018-Fenpropathrin (Ec) (393)-91           | 13.10.2018               | Permanent           | Fenpro-30 |
| 178.    | Clothianidin 50%o WG                                  | CIR-284813/2023-Clothianidin (WG) (445)-80            | 22.03.2023               | Permanent           | Dentosik  |
| 179.    | Chlorantraniliprole 0.4% WW GR                        | Cir-311628/2023-Chlorantraniliprole (Gr)(446)-688     | 01.05.2023               | Permanent           | Fertrasik |
| 180.    | Abamectin 1.9% EC                                     | Cir-322314/2023-Abamectin (Ec) (446)-719              | 01.05.2023               | Permanent           | Abasik    |
| 181.    | Tolfenpyrad 15%EC                                     | CIR-332972/2023-Tolfenpyrad (EC) (447)-391            | 25.06.2023               | Permanent           | Tolfensik |

**D) RENEWALS FOR APPROVALS/ LICENSES APPLIED FOR:**

| Sr. No. | Issuing Authority                                  | Nature of Registration/License           | Date of Application | Present Status      |
|---------|--|--|---------------------|---------------------|
| 1.      | Director of Agriculture Gujarat State, Gandhinagar | No.IQ/QC-5/Ferti.Prmt/663/85171-204/2021 | August 23, 2024     | Applied for renewal |

**E) APPROVALS/ LICENSES / REGISTRATION/CONSENT ETC. REQUIRED FOR SETTING OF NEW MANUFACTURING FACILITIES OF OUR COMPANY AT SURVEY NO. 173 PAIKI PLOT NO. 173/174, AJANTA INDUSTRIAL ESTATE VILLAGE. VASNA IYAVA, TAL. SANAND, AHMEDABAD, GUJARAT – 382 110, INDIA:**

| Sr. No. | Nature of Registration / License      | Issuing Authority  | Registration /License No. | Date of Registration | Valid Up to | Purpose       | Remark   |
|---------|---------------------------------------|--|---------------------------|----------------------|-------------|---------------|--|
| 1       | Certificate of Registration for GST   | Government of India and Government of India Gujarat              | 24AAGCS06 29C1ZT          | 01-Jul-17            | Permanent   | State GST     | Only addition of new address in existing Certificate |
| 2       | Employee Provident Fund code          | Employee Provident Fund Organization                             | Code No. GJ/AHD/574 38    | 01-Oct-11            | Permanent   | PF Purpose    | Only addition of new address in existing Certificate |
| 3       | Certificate of Importer-Exporter Code | Ministry of Commerce and Industry                                | 803014261                 | 26-Mar-04            | Permanent   | Export-Import | Only addition of new address in existing Certificate |
| 4       | Udyog Aadhar Number                   | Government of India Udyog Aadhar Memorandum - Ministry of Micro, | UDYAM-GJ-01-0031659       | 14-Dec-20            | Permanent   | MSME          | Only addition of new address in existing Certificate |



| Sr. No. | Nature of Registration / License  | Issuing Authority   | Registration /License No.  | Date of Registration | Valid Up to                    | Purpose                                     | Remark   |
|---------|---|---|--|----------------------|--------------------------------|---|--|
|         |   | Small Medium Enterprise   |  |                      |                                |   |  |
| 5       | License to work a factory   | Factories Act, 1948   | To be applied  |                      |                                | To Run the factory                          | To be applied  |
| 6       | License to manufacture the Insecticide(s) at premises situated at 55 A&B, Ambica Estate, Nr. Super ATTA, Nr. Ambica Weight Bridge, Sanand, Viramgam Highway, Iyara, Sanand, Dist. Ahmedabad | Licensing Authority and Deputy Director of Agriculture (Pesticide) Gujarat State, Gandhinagar | License No. 477 issued on November 10, 2003 – refer Table A provided above in this Chapter titled “Government Approvals” beginning on Page no. 112 of this Letter of Offer | 10-Nov-03            | Permanent                      | Manufacturing of pesticides                 | Only addition of new address in existing Certificate |
| 7       | License to Sell, Stock, Exhibit for sales the Insecticide   | Deputy Director of Agriculture (Ext), Ahmedabad Division, Ahmedabad, Gujarat                  | License No. 4  | 01-Jan-16            | Permanent                      | Exhibition of stock                         | Only addition of new address in existing Certificate |
| 8       | License to Carry on the Business of a Dealer In Seeds   | Deputy Director of Agriculture (Ext), Ahmedabad Division, Ahmedabad, Gujarat                  | License No. 2430   | 10-Apr-12            | Valid up to 09-04-2026         | Sale of Seeds                               | Only addition of new address in existing Certificate |
| 9       | License to Sales All Type of Fertilizer   | Deputy Director of Agriculture (Ext), Ahmedabad Division, Ahmedabad, Gujarat                  | License No. 459  | 29-Dec-10            | Valid up to 27-12-2024         | Sale of Fertilizer                          | Only addition of new address in existing Certificate |
| 10      | Gujarat Pollution Control Board   | Gujarat Pollution Control Board   | To be applied  |                      |                                | GPCB  | To be applied  |
| 11      | Food and Drugs Control Administration   | Food and Drugs Control Administration, Ahmedabad Zone   | License No. 10722999000 795  | 25-May-22            | Valid up to May 24, 2027       | FSSI  | Only addition of new address in existing Certificate |
| 12      | Chelated Zinc as Zn-EDTA & Chelated iron as Fe-EDTA   | Director of Agriculture Gujarat State, Gandhinagar  | No.IQ/QC-5/Export/661/102541-2574/2021   | 21-Dec-21            | Valid up to December 31, 2024  | NOC for Chelated Fertilizer                 | Only addition of new address in existing Certificate |
| 13      | 100% Water Soluble Mixture of Fertiliser NPK 19-19-19 NPK 20-20-20 NPK 13-40-13 NPK 13-05-26  | Director of Agriculture Gujarat State, Gandhinagar  | No.IQ/QC-5/Ferti Prmt/661/912 04-237/2023  | 06-Oct-23            | Valid up to September 30, 2026 | NOC for Fertilizer Water Soluble Fertilizer | Only addition of new address in existing Certificate |





| Sr. No. | Nature of Registration / License   | Issuing Authority   | Registration /License No.                    | Date of Registration | Valid Up to                    | Purpose                                     | Remark  |
|---------|--|---|--|----------------------|--------------------------------|---|---|
|         | NPK 06-12-36<br>NPK 16-08-24<br>NPK 00-60-20<br>NPK 00-49-32   |   |  |                      |                                |   |   |
| 14      | 100% Water Soluble Mixture of Fertiliser Mono Ammonium Phosphate 12:61:00 Mono Potassium Phosphate 00:52:34 Calcium Nitrate Potassium Nitrate 13-00-45 Urea Phosphate 17-44-00 Boronated Calcium Nitrate Potassium Sulphate 00-00-50 | Director of Agriculture Gujarat State, Gandhinagar                            | No.IQ/QC-5/Fert Prmt/661/912 38-271/2023     | 06-Oct-23            | Valid up to September 30, 2026 | NOC for Fertilizer Water Soluble Fertilizer | <b>Only addition of new address in existing Certificate</b> |
| 15      | Registration Of Research Variety / Hybrid for Supra-350 & Gold-350   | Director of Agriculture Gujarat State, Gandhinagar                            | No.IQ/Seed-2/Registration /830/81188-89/2021 | 16-Sep-21            | Valid up to 19-10-2025         | NOC for Seeds                               | <b>Only addition of new address in existing Certificate</b> |
| 16      | Registration with Regional Provident Fund Office for Depositing the Contribution and Subscription of the employees.  | Regional Provident Fund Commissioner Incharge, Sub-Regional Office, Ahmedabad | Code No. GJ/AHD/574 38                       | 01-Oct-11            | Permanent                      | PF  | <b>Only addition of new address in existing Certificate</b> |
| 17      | Insurance for Employee – Fertilizer Unit   | Employees State Insurance Corporation, Ashram Road, Ahmedabad                 | Code: 37001049580 000301                     | 10-Jul-14            | Permanent                      | Employee ESIC                               | <b>Only addition of new address in existing Certificate</b> |
| 18      | Professional Tax Number  | Officer of Professional Tax, Ahmedabad  | PT No. PRC0107280 00024                      | -                    | Permanent                      | For Professional Tax                        | <b>Only addition of new address in existing Certificate</b> |

The above-mentioned business license / approval shall be applied for addition of our new unit i.e. Survey No. 173 paiki Plot No. 173/174, Ajanta Industrial Estate Village. Vasna Iyava, Tal. Sanand, Ahmedabad, Gujarat – 382 110, India after the construction of Factory and Erection of Plant and Machineries but before the Commencement of Commercial Productions.

Apart from above business license / approval updation / to be applied, our Company is required to obtained the Construction Permission and Site Layout from Sanand Gram Panchayat for Constructing the Factory on the Land situated at Survey No. 173 paiki Plot No. 173/174, Ajanta Industrial Estate Village. Vasna Iyava, Tal. Sanand, Ahmedabad, Gujarat – 382 110, India. The said permission will be obtained after the execution of final Sale Deed in the name of Sikko Industries Limited.



## SECTION IX – OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THIS ISSUE

This Issue has been authorized by the resolution passed by our Board at its meeting held on May 30, 2024 pursuant to Section 62 (1) (a) of the Companies Act, 2013 and other applicable provisions.

The Board of Directors have approved the Record Date for the Issue at its meeting held on Saturday, November 30, 2024 and this Letter of Offer at its meeting held on Saturday, November 30, 2024.

Our Board, in its meeting held on Saturday, November 30, 2024, has resolved to issue 5040000 Equity Shares to the Eligible Equity Shareholders, at ₹ 98.00 per Equity Share aggregating to ₹ 4,939.20 Lakhs.

Our Company has received in-principle approval from NSE in accordance with Regulation 28(1) of the SEBI Listing Regulations for listing of the Equity Shares to be Allotted in this Issue pursuant to letter no. NSE/LIST/C/2024/44141 dated October 16, 2024.

Our Company will also make application to NSE to obtain its trading approval for the Rights Entitlements as required under the SEBI Rights Issue Circulars. Our Company has been allotted the ISIN INE112X20017 for the Rights Entitlements to be credited to the respective demat accounts of the Equity Shareholders of our Company. For details, see “*Terms of the Issue*” beginning on page 134 of this Letter of Offer.

### ASSOCIATION OF OUR DIRECTORS WITH SECURITIES MARKET

We confirm that none of our director(s), Promoter(s) or Promoter Group are associated with the securities market in any manner except for trading on day to day basis for the purpose of investment.

### PROHIBITION BY SEBI AND OTHER GOVERNMENTAL AUTHORITIES

Our Company, our Promoters, our directors, the members of our Promoter Group and persons in control of our Company have not been prohibited from accessing the capital market or debarred from buying or selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any authority/court as on date of this Letter of Offer.

Neither our Promoters, nor any of our director(s) or persons in control of our Company were or are a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI or any securities market regulator in any other jurisdiction or any other authority/ court. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

None of our Directors or Promoters is associated with the securities market in any manner.

Neither our Promoters nor our Directors have been declared as fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018.

### PROHIBITION BY RBI

Neither our Company, nor our Promoter, and Directors have been categorized or identified as willful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

### COMPLIANCE WITH COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

Our Company, Our Promoters and the members of our Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 to the extent it may be applicable to them as on date of this Letter of Offer.

### ELIGIBILITY FOR THE ISSUE



Our Company is a listed company incorporated under the Companies Act, 1956. Our Equity Shares are presently listed on National Stock Exchange of India Limited (NSE). Our Company undertakes to make an application to National Stock Exchange of India Limited (NSE) for listing of the Rights Equity Shares to be issued pursuant to this Issue.

#### **COMPLIANCE WITH REGULATIONS 61 AND 62 OF THE SEBI ICDR REGULATIONS**

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company undertakes to make an application to the Stock Exchanges to receive its **“In-Principle Approvals”** for listing of the Rights Equity Shares to be issued pursuant to this Issue. National Stock Exchange of India Limited (NSE) is the Designated Stock Exchange for this Issue.

#### **COMPLIANCE WITH PART B OF SCHEDULE VI OF THE SEBI ICDR REGULATIONS**

Our Company is in compliance with the provisions specified in Clause (1) of Part B of Schedule VI of the SEBI ICDR Regulations as explained below.

1. Our Company has been filing periodic reports, statements and information in compliance with the SEBI Listing Regulations, as applicable for the last one year immediately preceding the date of filing of the Letter of Offer with the Designated Stock Exchange.
2. The reports, statements and information referred to above are available on the websites of National Stock Exchange of India (NSE); and
3. Our Company has an investor grievance-handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, appropriate delegation of power by our Board as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

As our Company satisfies the conditions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations and given that the conditions specified in Clause (3) of Part B of Schedule VI of SEBI ICDR Regulations are not applicable to our Company, the disclosures in this Letter of Offer are in terms of Clause (4) of Part B of Schedule VI of the SEBI ICDR Regulations.

#### **DISCLAIMER CLAUSE OF SEBI**

The Letter of Offer has not been filed with SEBI in terms of SEBI ICDR Regulations as the size of issue is up to ₹ 4,939.20 lakhs. The present Issue being of less than ₹ 5,000 lakhs, our Company is in compliance with first proviso to Regulation 3 of the SEBI ICDR Regulations and our Company shall file the copy of the Letter of Offer prepared in accordance with the SEBI ICDR Regulations with SEBI for information and dissemination on the website of SEBI i.e. [www.sebi.gov.in](http://www.sebi.gov.in).

#### **DISCLAIMER FROM OUR COMPANY AND OUR DIRECTORS**

Our Company accept no responsibility for statements made otherwise than in the Letter of Offer or in any advertisement or other material issued by our Company or by any other persons at the instance of our Company anyone placing reliance on any other source of information would be doing so at his own risk.

Investors who invest in this Issue will be deemed to have represented by our Company and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and are relying on independent advice / evaluation as to their ability and quantum of investment in this Issue.

#### **DISCLAIMER IN RESPECT OF JURISDICTION**

This Letter of Offer has been prepared under the provisions of Indian law and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in Mumbai, India only.

#### **DISCLAIMER CLAUSE OF NSE**

As required, a copy of this Letter of Offer has been submitted to the NSE. The Disclaimer Clause as intimated by NSE to



us, post scrutiny of this Letter of Offer is set out below:

“As required, a copy of this letter of offer has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref. No. NSE/LIST/C/2024/44141 dated October 16, 2024, permission to the Issuer to use the Exchange’s name in this letter of offer as one of the stock exchanges on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinized this letter of offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer.

It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the letter of offer has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this letter of offer; nor does it warrant that this Issuer’s securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.”

### **DESIGNATED STOCK EXCHANGE**

The Designated Stock Exchange for the purpose of the Issue is National Stock Exchange of India Limited (NSE).

### **LISTING**

Our Company will apply to NSE for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

### **SELLING RESTRICTIONS**

This Letter of Offer is solely for the use of the person who has received it from our Company or from the Registrar. This Letter of Offer is not to be reproduced or distributed to any other person.

The distribution of this Letter of Offer, Abridged Letter of Offer, Application Form, the Rights Entitlement Letter and the issue of Rights Entitlements and Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Letter of Offer, Abridged Letter of Offer Application Form and the Rights Entitlement Letter may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders of our Company and will dispatch the Letter of Offer, Abridged Letter of Offer, Application Form and the Rights Entitlement Letter only to Eligible Equity Shareholders who have provided an Indian address to our Company.

No action has been or will be taken to permit the Issue in any jurisdiction, or the possession, circulation, or distribution of the, Letter of Offer, Abridged Letter of Offer or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction, where action would be required for that purpose, except that this Letter of Offer has been filed with SEBI and NSE.

Accordingly, the Rights Entitlement or Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer or any offering materials or advertisements in connection with the Issue or Rights Entitlement may not be distributed or published in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

This Letter of Offer and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose. If this Letter of Offer is received by any person in any jurisdiction where to do so would or might contravene local securities laws or regulation, or by their agent or nominee, they must not seek to subscribe to the Equity Shares or the Rights Entitlement referred to in this Letter of Offer. Investors are advised to consult their legal counsel prior to applying for the Rights Entitlement and Equity Shares or accepting any provisional allotment of Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Equity Shares or Rights Entitlement.



Neither the delivery of this Letter of Offer nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as of any time subsequent to this date or the date of such information. Each person who exercises Rights Entitlements and subscribes for Equity Shares, or who purchases Rights Entitlements or Equity Shares shall do so in accordance with the restrictions set out below.

#### **NO OFFER IN THE UNITED STATES**

**THE RIGHTS ENTITLEMENTS AND THE EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES, EXCEPT IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE RIGHTS ENTITLEMENTS AND EQUITY SHARES REFERRED TO IN THE LETTER OF OFFER ARE BEING OFFERED IN INDIA, BUT NOT IN THE UNITED STATES. THE OFFERING TO WHICH THE LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY EQUITY SHARES OR RIGHTS ENTITLEMENTS FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO THE UNITED STATES AT ANY TIME.**

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. Envelopes containing an Application Form should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer under this Letter of Offer. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and this Letter of Offer/ Abridged Letter of Offer, Application Form and the Rights Entitlement Letter will be dispatched to the Eligible Equity Shareholders who have provided an Indian address to our Company. Any person who acquires the Rights Entitlements and the Equity Shares will be deemed to have declared, represented, warranted and agreed, by accepting the delivery of the Letter of Offer, (i) that it is not and that, at the time of subscribing for the Equity Shares or the Rights Entitlements, it will not be, in the United States when the buy order is made; and (ii) is authorised to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws, rules and regulations.

Our Company reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in or dispatched from the United States of America; (ii) does not include the relevant certification set out in the Application Form headed "Overseas Shareholders" to the effect that the person accepting and/or renouncing the Application Form does not have a registered address (and is not otherwise located) in the United States, and such person is complying with laws of the jurisdictions applicable to such person in connection with the Issue, among others; (iii) where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; or (iv) where a registered Indian address is not provided, and our Company shall not be bound to allot or issue any Equity Shares or Rights Entitlement in respect of any such Application Form.

None of the Rights Entitlements or the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the "Securities Act"), or any state securities laws in the United States. Accordingly, the Rights Entitlements and Equity Shares are being offered and sold only outside the United States in compliance with Regulations under the Securities Act and the applicable laws of the jurisdictions where those offers and sales are made.

#### **NO OFFER IN ANY JURISDICTION OUTSIDE INDIA**

**NO OFFER OR INVITATION TO PURCHASE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES IS BEING MADE IN ANY JURISDICTION OUTSIDE OF INDIA, INCLUDING, BUT NOT LIMITED TO AUSTRALIA, BAHRAIN, CANADA, THE EUROPEAN ECONOMIC AREA, GHANA, HONG KONG, INDONESIA, JAPAN, KENYA, KUWAIT, MALAYSIA, NEW ZEALAND, SULTANATE OF OMAN, PEOPLE'S REPUBLIC OF CHINA, QATAR, SINGAPORE, SOUTH AFRICA, SWITZERLAND, THAILAND, THE UNITED ARAB EMIRATES, THE UNITED KINGDOM AND THE UNITED STATES. THE OFFERING TO WHICH THIS LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT FOR SALE IN ANY JURISDICTION OUTSIDE INDIA OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THIS LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO ANY OTHER JURISDICTION AT ANY TIME.**





## CONSENTS

Consents in writing of: our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Advisor, Statutory and Peer Reviewed Auditor, the Registrar to the Issue and Banker to the issue to act in their respective capacities, have been obtained and such consents have not been withdrawn upto the date of this Letter of Offer.

Our Company has received written consent dated July 10, 2024 from our Statutory Auditor, namely, M/s. D G M S & Co, Chartered Accountants to include their name in this Letter of Offer and as an 'expert' as defined under Section 2(38) of the Companies Act, 2013 in relation to the Statement of Tax Benefits dated July 10, 2024 in the form and context in which it appears in this Letter of Offer. Such consent has not been withdrawn up to the date of this Letter of Offer.

## EXPERT OPINION

Our Company has received written consent dated July 10, 2024 from our Statutory Auditor, namely, M/s. D G M S & Co, Chartered Accountants to include their name as required in this Letter of Offer and as an 'expert' as defined under Section 2(38) of the Companies Act, 2013 in relation to its statement of tax benefits dated July 10, 2024 in this Letter of Offer and such consent has not been withdrawn as of the date of this Letter of Offer. The term 'expert' and consent thereof, does not represent an expert or consent within the meaning under the U.S. Securities Act.

Except for the above-mentioned documents, provided by M/s. D G M S & Co., Chartered Accountants, Jamnagar our Company has not obtained any expert opinions.

## PERFORMANCE VIS-À-VIS OBJECTS – PUBLIC/RIGHTS ISSUE OF OUR COMPANY

Our Company has not made any rights issues or public issues during the five years immediately preceding the date of this Letter of Offer.

## PERFORMANCE VIS-À-VIS OBJECTS – LAST ISSUE OF LISTED SUBSIDIARIES OR ASSOCIATES

Our Company does not have Subsidiaries or Associates.

## FILING

SEBI vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Letter of Offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3 (b) of the SEBI ICDR Regulations has been increased from Rupees ten crores to Rupees fifty crores. Since the size of this Issue falls below this threshold, the Letter of Offer has been filed with NSE and not with SEBI. However, the Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with NSE.

## STATUS OF OUTSTANDING INVESTOR COMPLAINTS

As on the date of this Letter of Offer, there were no outstanding Investor complaints. As mentioned, our Company is registered with the SCORES. Consequently, Investor grievances are tracked online by our Company. The average time taken by the Registrar to the Issue for attending to routine grievances will be within 15 (Fifteen) days from the date of receipt. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavor of the Registrar to the Issue to attend to them as expeditiously as possible. We undertake to resolve the investor grievances in a time bound manner.

## MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

Our Company has adequate arrangements for redressal of investor grievances in compliance with the SEBI Listing Regulations. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular no. CIR/OIAE/2/2011 dated June 3, 2011. Consequently, investor grievances are tracked online by our Company. Our Company has a Stakeholders Relationship Committee which meets at least once a year and as and when required. Its terms of reference include considering and resolving grievances of Shareholders in relation to transfer of shares and effective exercise of voting rights. Our Registrar and Share Transfer Agent. All investor grievances received by us have been handled by the Registrar and Share Transfer Agent in consultation with the Company Secretary and Compliance Officer.





Investor complaints received by our Company are typically disposed of within 15 days from the receipt of the complaint. Investors may contact the Registrar or our Company Secretary and Compliance Officer for any pre Issue or post Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e mail address of the sole/ first holder, folio number or demat account number, number of Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, see “*Terms of the Issue*” beginning on page 134 of this Letter of Offer.

Investor Grievances arising out of this Issue Investors may contact the Registrar to the Issue at

**PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED**

**Address:** Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (East), Mumbai – 400011, Maharashtra, India;

**Contact Number:** + 91 22 4961 4132 / +91 22 4970 0138;

**Website:** [www.purvashare.com](http://www.purvashare.com);

**E-mail Address:** [newissue@purvashare.com](mailto:newissue@purvashare.com)

**Investor Greivances E-Mail Address:** [newissue@purvashare.com](mailto:newissue@purvashare.com);

**Contact Person:** Ms. Deepali Dhuri;

**SEBI Registration Number:** INR000001112;

**Validity of Registration:** Permanent.

Investors may contact the Company Secretary and Compliance Officer at the below mentioned address for any pre-Issue/post-Issue related matters such as non-receipt of Letters of Allotment/share certificates/demat credit/Refund Orders etc.

**Mr. Dhruvitkumar Mandliya**

Company Secretary and Compliance Officer

**SIKKO INDUSTRIES LIMITED**

508, Iscon Eligance, Nr. Jain Temple Nr. Prahladnagar Pick up Stand, Vejalpur, Ahmedabad, Gujarat, India, 380051

**Tel:** +91 79 6616 8950 / 51

**Email:** [compliance@sikkoindia.com](mailto:compliance@sikkoindia.com); **Website:** [www.sikkoindia.com](http://www.sikkoindia.com)

**EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI**

Our Company has not submitted any application to SEBI for exemption from complying with any provisions of Securities.

**STATUS OF OUTSTANDING INVESTOR COMPLAINTS**

As on the date of the Letter of offer, there were Nil outstanding investor complaints.

**CHANGES IN AUDITOR DURING THE LAST THREE YEARS**

There has been no change in the Auditor of the Company during the last three years.



## SECTION X – ISSUE RELATED INFORMATION

### TERMS OF THE ISSUE

*This section is for the information of the Eligible Equity Shareholders proposing to apply in this Issue. The Eligible Equity Shareholders should carefully read the provisions contained in this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company is not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. The Eligible Equity Shareholders are advised to make their independent investigation and ensure that the Application Form is accurately filled up in accordance with instructions provided therein and this Letter of Offer. Unless otherwise permitted under the SEBI ICDR Regulations read with the SEBI Right Issue Circulars, the Eligible Equity Shareholders proposing to apply in this Issue can apply only through ASBA or by mechanism as disclosed in this Letter of Offer.*

*This Issue and the Rights Equity Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, FEMA, FEMA Rules, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment advice.*

### DISPATCH AND AVAILABILITY OF ISSUE MATERIALS

In accordance with the SEBI ICDR Regulations, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, this Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Shareholders can access this Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Equity Shares under applicable laws) on the websites of:

- (i) Our Company at [www.sikkoindia.com](http://www.sikkoindia.com);
- (ii) The Registrar at [www.purvashare.com](http://www.purvashare.com);
- (iii) The Stock Exchanges at [www.nseindia.com](http://www.nseindia.com);

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., Purva Sharegistry (India) Private Limited at [www.purvashare.com](http://www.purvashare.com)) by entering their DP ID and Client ID or Folio Number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (i.e. [www.sikkoindia.com](http://www.sikkoindia.com)).

**Please note that neither our Company nor the Registrar shall be responsible for non-dispatch of physical copies of Issue materials, including this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the e-mail addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.**

The distribution of this Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be



required for that purpose, except that this Letter of Offer is being filed with the Stock Exchanges. Accordingly, the Rights Entitlements and Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with and as permitted under the legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed.

Accordingly, persons receiving a copy of this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Equity Shares or the Rights Entitlements, distribute or send this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who makes an application to acquire Rights Entitlements and the Equity Shares offered in the Issue will be deemed to have declared, represented and warranted that such person is authorized to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates to make any filing or registration (other than in India).

#### **PROCESS OF MAKING AN APPLICATION IN THE ISSUE**

**In accordance with Regulation 76 of the SEBI ICDR Regulations, the SEBI Rights Issue Circulars and the ASBA Circulars, all Shareholders desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Shareholders should carefully read the provisions applicable to such Applications before making their Application through ASBA.**

Investors can submit either the Application Form in physical mode to the Designated Branches of the SCSBs or online/electronic Application through the website of the SCSBs (if made available by such SCSB) authorizing the SCSB to block the Application Money in an ASBA Account maintained with the SCSB. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process. For details, titled "Procedure for Application through the ASBA Process" in chapter "Terms of the Issue" beginning on page 134 of this Letter of Offer.

Please note that subject to SCSBs complying with the requirements of SEBI Circular CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs.

Further, in terms of the SEBI Circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

**Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details, refer "Grounds for Technical Rejection" on page no. 140 of this Letter of Offer. Our Company, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.**

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that Eligible Equity Shareholders making an



application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, refer chapter titled “Application on Plain Paper under ASBA process”.

### **Options available to the Eligible Equity Shareholders**

The Rights Entitlement Letter will clearly indicate the number of Equity Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

- a) apply for its Equity Shares to the full extent of its Rights Entitlements; or
- b) apply for its Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
- c) apply for Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
- d) apply for its Equity Shares to the full extent of its Rights Entitlements and apply for additional Equity Shares; or
- e) renounce its Rights Entitlements in full.

### **Making of an Application through the ASBA process**

A Shareholders, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application. Shareholders desiring to make an Application in this Issue through ASBA process, may submit the Application Form in physical mode to the Designated Branches of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Shareholders should ensure that they have correctly submitted the Application Form and have provided an authorisation to the SCSB, *via* the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>.

Please note that subject to SCSBs complying with the requirements of the SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

Our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

### ***Do's for Shareholders applying through ASBA:***

- a) Ensure that the details about your Depository Participant, PAN and beneficiary account are correct and the beneficiary account is activated as the Equity Shares will be allotted in the dematerialized form only.
- b) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
- c) Ensure that there are sufficient funds (equal to {number of Equity Shares (including additional Equity Shares) applied for} X {Application Money of Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.
- d) Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application Form and have signed the same.
- e) Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.



- f) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.
- g) Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.

***Don'ts for Shareholders applying through ASBA:***

- a) Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.
- b) Do not send your physical Application to the Registrar, the Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not an SCSB), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
- c) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process upon making the Application.
- d) Do not submit Application Form using third party ASBA account.

**Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process:**

An Eligible Equity Shareholder in India who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through e-mail or physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an Application to subscribe to this Issue on plain paper with the same details as per the Application Form that is available on the website of the Registrar, Stock Exchanges. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address or is a U.S. Person or in the United States.

Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The Application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his/her bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

- (a) Name of our Company, being Sikko Industries Limited;
- (b) Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
- (c) Folio Number (in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP and Client ID;
- (d) Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to this Issue;
- (e) Number of Equity Shares held as on Record Date;
- (f) Allotment option – only dematerialised form;
- (g) Number of Equity Shares entitled to;
- (h) Number of Equity Shares applied for within the Rights Entitlements;
- (i) Number of additional Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);
- (j) Total number of Equity Shares applied for;
- (k) Total amount paid at the rate of ₹ 98.00 per Equity Share;
- (l) Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;
- (m) In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
- (n) Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;





- (o) Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and
- (p) All such Eligible Equity Shareholders are deemed to have accepted the following:

*"I/ We will not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for Shareholders in investments of the type subscribed for herein imposed by the jurisdiction of our residence.*

*I/ We understand and agree that the Rights Entitlement and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.*

*I/ We (i) am/ are, and the person, if any, for whose account I/ we am/ are acquiring such Rights Entitlement and/ or the Rights Equity Shares is/ are, outside the U.S., (ii) am/ are not a "U.S. Person" as defined in ("Regulations"), and (iii) is/ are acquiring the Rights Entitlement and/ or the Rights Equity Shares in an offshore transaction meeting the requirements of Regulations.*

*I/ We acknowledge that the Company, its affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements. "*

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, as applicable, including cases where a Shareholders submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Shareholders are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company, and the Registrar not having any liability to the Shareholders. The plain paper Application format will be available on the website of the Registrar at [www.purvashare.com](http://www.purvashare.com).

Our Company, and the Registrar shall not be responsible if the Applications are not uploaded by the SCSB or funds are not blocked in the Shareholders' ASBA Accounts on or before the Issue Closing Date.

#### **Making of an Application by Eligible Equity Shareholders holding Equity Shares in physical form**

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company.

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

- a) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by e mail, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two Working Days prior to the Issue Closing Date;
- b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
- c) The remaining procedure for Application shall be same as set out in "- Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process" mentioned above.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date will not be allowed renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Equity Shares while submitting the Application through ASBA process.

#### **Application for Additional Equity Shares**





Shareholders are eligible to apply for additional Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for additional Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in "*Basis of Allotment*" mentioned below.

**Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for additional Equity Shares.**

Non-resident Renounees who are not Eligible Equity Shareholders cannot apply for additional Equity Shares.

***Additional general instructions for Shareholders in relation to making of an application***

- i) Please read this Letter of offer carefully to understand the Application process and applicable settlement process.
- ii) Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this Letter of offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.
- iii) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section "*Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*" mentioned above.
- iv) Applications should be (i) submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, (ii) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.
- v) Applications should not be submitted to the Banker(s) to the Issue or Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not an SCSB), our Company or the Registrar.
- vi) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Shareholders for which PAN details have not been verified shall be "suspended for credit" and no Allotment and credit of Equity Shares pursuant to this Issue shall be made into the accounts of such Shareholders.
- vii) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation ("**Demographic Details**") are updated, true and correct, in all respects. Shareholders applying under this Issue should note that on the basis of name of the Shareholders, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Therefore, Shareholders applying under this Issue should carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such Shareholders including mailing of the letters intimating unblocking of bank account of the respective Shareholders and/or refund. The Demographic Details given by the Shareholders in the Application Form would not be used for any other purposes by the Registrar. Hence, Shareholders are advised to update their Demographic Details as provided to their Depository Participants. **The Allotment Advice and the e-mail intimating unblocking of ASBA Account or refund (if any) would be e-mailed to the address of the Shareholders as per the e-mail address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Equity Shares are not allotted to such Shareholders. Please note that any such delay shall be at the sole risk of the Shareholders and none of our Company, the SCSBs, Registrar shall be liable to compensate the Shareholders for any losses caused due to any such delay or be liable to pay any interest for such delay. In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Shareholders (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.**
- viii) By signing the Application Forms, Shareholders would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.
- ix) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than



in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Shareholders must sign the Application as per the specimen signature recorded with the SCSB.

- x) Shareholders should provide correct DP ID and Client ID/ Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) while submitting the Application. Such DP ID and Client ID/ Folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Shareholders will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs or the Registrar will not be liable for any such rejections.
- xi) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.
- xii) All communication in connection with Application for the Equity Shares, including any change in contact details of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP ID and Client ID and Application Form number, as applicable. In case of any change in contact details of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.
- xiii) Shareholders are required to ensure that the number of Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.
- xiv) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- xv) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- xvi) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- xvii) Do not pay the Application Money in cash, by money order, pay order or postal order.
- xviii) Do not submit multiple Applications.
- xix) No investment under the FDI route (i.e any investment which would result in the Shareholders holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the Shareholders to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. Our Company will not be responsible for any allotments made by relying on such approvals.
- xx) An Applicant being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as a incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019.

## **GROUNDS FOR TECHNICAL REJECTION**

*Applications made in this Issue are liable to be rejected on the following grounds:*

- i) DP ID and Client ID mentioned in Application does not match with the DP ID and Client ID records available with the Registrar.
- ii) Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.
- iii) Sending an Application to our Company, Registrar, Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB.
- iv) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- v) Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.
- vi) Account holder not signing the Application or declaration mentioned therein.
- vii) Submission of more than one Application Form for Rights Entitlements available in a particular demat account.
- viii) Multiple Application Forms, including cases where a Shareholders submits Application Forms along with a plain paper Application.
- ix) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).
- x) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the Demographic Details provided by the Depositories.
- xi) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
- xii) Application Forms which are not submitted by the Shareholders within the time periods prescribed in the Application Form and this Letter of offer.



- xiii) Physical Application Forms not duly signed by the sole or joint Shareholders, as applicable.
- xiv) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demands.
- xv) If an Shareholders is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Shareholders to subscribe to their Rights Entitlements.
- xvi) Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States (other than from persons in the United States who are U.S. QIBs and QPs) or other jurisdictions where the offer and sale of the Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is (a) both a U.S. QIB and a QP, if in the United States or a U.S. Person or (b) outside the United States and is a non-U.S. Person, and in each case such person is eligible to subscribe for the Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; and our Company shall not be bound to issue or allot any Equity Shares in respect of any such Application Form.
- xvii) Applications which have evidence of being executed or made in contravention of applicable securities laws.
- xviii) Application from Shareholders that are residing in U.S. address as per the depository records (other than from persons in the United States who are U.S. QIBs and QPs).

***Applications by non-resident Shareholders.***

Payment from third party bank accounts.

**Multiple Applications**

In case where multiple Applications are made using same demat account, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Shareholders and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. Further supplementary Applications in relation to further Equity Shares with/without using additional Rights Entitlement will not be treated as multiple application. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, see “*Procedure for Applications by Mutual Funds*” mentioned below.

In cases where Multiple Application Forms are submitted, including cases where (a) a Shareholders submits Application Forms along with a plain paper Application or (b) multiple plain paper Applications (c) or multiple applications through ASBA, such Applications shall be treated as multiple applications and are liable to be rejected.

**Procedure for Applications by certain categories of Shareholders**

***Procedure for Applications by FPIs***

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, *i.e.*, the individual holding of an FPI (including its Shareholders group (which means multiple entities registered as foreign portfolio Shareholders and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post-Issue Equity Share capital. In case the total holding of an FPI or Shareholders group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or Shareholders group will be re classified as FDI subject to the conditions as specified by SEBI and RBI in this regard and our Company and the Shareholders will also be required to comply with applicable reporting requirements.

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. FPIs who wish to participate in the Issue are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a



Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

1. Such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and
2. prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre – approved by the FPI.

No investment under the FDI route will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval.

#### ***Procedure for Applications by AIFs, FVCIs, VCFs and FDI route***

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Further, venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCsBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

No investment under the FDI route (i.e any investment which would result in the Shareholders holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the Shareholders to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. Our Company will not be responsible for any allotments made by relying on such approvals.

#### ***Procedure for Applications by NRIs***

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India ("OCI") may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, *inter alia*, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with press note 3 of 2020, the FDI Policy has been recently amended to state that all investments by entities incorporate in a country which shares land border with India or where beneficial owner of an investment into India is situated in or is a citizen of any such country ("**Restricted Shareholders**"), will require prior approval of the Government of India. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Shareholders will also require prior approval of the Government of India and each Shareholders should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Shareholders shall intimate our Company and the Registrar about such approval within the Issue Period.

#### ***Procedure for Applications by Mutual Funds***

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or





custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

### ***Procedure for Applications by Systemically Important Non-Banking Financial Companies ("NBFC SI")***

In case of an application made by NBFC-SI registered with RBI, (a) the certificate of registration issued by RBI under Section 45IA of RBI Act, 1934 and (b) net worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

### ***Last date for Application***

The last date for submission of the duly filled in the Application Form or a plain paper Application is Tuesday, January 07, 2025, *i.e.*, Issue Closing Date. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchanges and the Application Money is not blocked with the SCSB on or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in this Letter of offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Equity Shares hereby offered, as set out in "*Basis of Allotment*" mentioned below.

Please note that on the Issue Closing Date, (Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Shareholders can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

### ***Withdrawal of Application***

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor, may withdraw their Application post the Issue Closing Date.

### ***Disposal of Application and Application Money***

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branches of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form to the Eligible Equity Shareholders upon submission of the Application.

Our Board reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Shareholders within a period of 4 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

## **CREDIT OF RIGHTS ENTITLEMENTS IN DEMAT ACCOUNTS OF ELIGIBLE EQUITY SHAREHOLDERS**

### **Rights Entitlements**

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares



held in physical form, as on the Record Date, you may be entitled to subscribe to the number of Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (*i.e.*, [www.purvashare.com](http://www.purvashare.com)) by entering their DP ID and Client ID or Folio Number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (*i.e.*, [www.sikkoindia.com](http://www.sikkoindia.com)).

In this regard, our Company has made necessary arrangements with NSDL and CDSL for crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is INE112X20017. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchanges after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. Further, if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under Issue.

If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar at least two Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (*i.e.* [www.purvashare.com](http://www.purvashare.com)). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account (namely, "SIKKO INDUSTRIES LTD. - RE ACCOUNT - OPERATED BY - PURVA SHAREGISTRY ( INDIA ) PVT. LTD.") opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in the account of the IEPF authority; or (b) the demat accounts of the Eligible Equity Shareholder which are frozen or suspended for debit or credit or the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI Listing Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date; or (c) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any; or (f) non-institutional equity shareholders in the United States.

Eligible Equity Shareholders are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to our Company or the Registrar at least two Working Days prior to the Issue Closing Date, *i.e.*, by Friday, January 03, 2025 to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar account is active to facilitate the aforementioned transfer.

## **RENUNCIATION AND TRADING OF RIGHTS ENTITLEMENT**





## Renounees

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renounee(s) as well.

## Renunciation of Rights Entitlements

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and *vice versa* shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favor of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchanges or through an off-market transfer.

## Procedure for Renunciation of Rights Entitlements

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchanges (the “**On Market Renunciation**”); or (b) through an off-market transfer (the “**Off Market Renunciation**”), during the Renunciation Period. The Shareholders should have the demat Rights Entitlements credited/lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Shareholders may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Shareholders who intend to trade in the Rights Entitlements should consult their tax advisor or stock-broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Shareholders on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

**Our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Shareholders.**

### *On Market Renunciation*

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchanges through a registered stock-broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchanges under ISIN INE112X20017 subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchanges for trading of Rights Entitlements. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlements.

The on Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, *i.e.*, from Monday, December 23, 2024 to Thursday, January 02, 2025 (both days inclusive).



The Shareholders holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock-brokers by quoting the ISIN INE112X20017 and indicating the details of the Rights Entitlements they intend to trade.

The Shareholders can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of NSE under automatic order matching mechanism and on 'T+2 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock-broker will issue a contract note in accordance with the requirements of the Stock Exchange and the SEBI.

### **Off Market Renunciation**

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat accounts of the Renounees on or prior to the Issue Closing Date to enable Renounees to subscribe to the Equity Shares in the Issue.

The Shareholders holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN INE112X20017, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Shareholders can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants. The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

### **MODE OF PAYMENT**

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

In case of Application through the ASBA facility, the Shareholders agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Shareholder's ASBA Account. The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Shareholders in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth in this Letter of offer.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, and pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account(s) which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

### **Mode of payment for Resident Shareholders**



All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

### **Mode of payment for Non-Resident Shareholders**

As regards the Application by non-resident Shareholders, payment must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by RBI and subject to the following:

1. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income-tax Act. However, please note that conditions applicable at the time of original investment in our Company by the Eligible Equity Shareholder including repatriation shall not change and remain the same for subscription in the Issue or subscription pursuant to renunciation in the Issue.
2. Subject to the above, in case Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Equity Shares cannot be remitted outside India.
3. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.
4. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment.
5. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account.
6. Non-resident Renounees who are not Eligible Equity Shareholders must submit regulatory approval for applying for additional Equity Shares.

### **BASIS FOR THIS ISSUE AND TERMS OF THIS ISSUE**

The Equity Shares are being offered for subscription to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date.

For principal terms of Issue such as face value, Issue Price, Rights Entitlement ratio, see “*The Issue*” beginning on mentioned above.

### **Fractional Entitlements**

The Rights Equity Shares are being offered on a rights basis to existing Eligible Public Equity Shareholders in the ratio of 4 Rights Equity Shares for every 5 fully paid-up Equity Shares held as on the Record Date. As per ASBA Circular, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Equity Shareholders is less than 5 Equity Shares or is not in the multiple of 5 Equity Shares, the fractional entitlements of such Eligible Equity Shareholders shall be ignored by rounding down of their Rights Entitlements.

However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Equity Share if they apply for additional Rights Equity Shares over and above their Rights Entitlements, if any, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

### **Ranking**

The Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of this Letter of offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment advice. The Equity Shares to be issued and Allotted under this Issue shall rank *pari passu* with the existing Equity Shares, in all respects including dividends.



## **Listing and trading of the Equity Shares to be issued pursuant to this Issue**

Subject to receipt of the listing and trading approvals, the Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchange. Unless otherwise permitted by the SEBI ICDR Regulations, the Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received in-principle approval from the NSE through letter bearing reference number NSE/LIST/C/2024/44141 dated October 16, 2024. Our Company will apply to the Stock Exchanges for final approvals for the listing and trading of the Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Equity Shares or the price at which the Equity Shares offered under this Issue will trade after the listing thereof.

The existing Equity Shares are listed and traded on NSE (Scrip Code: SIKKO) under the ISIN: INE112X01017. The Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchange. Upon receipt of such listing and trading approvals, the Equity Shares shall be debited from such temporary ISIN and credited to the new ISIN for the Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.

The listing and trading of the Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from the Stock Exchanges, our Company shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within four days of receipt of intimation from the Stock Exchanges, rejecting the application for listing of the Equity Shares, and if any such money is not refunded/ unblocked within four days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

## **Subscription to this Issue by our Promoter and members of the Promoter Group**

For details of the intent and extent of subscription by our Promoter and members of the Promoter Group, see “*Capital Structure - Intention and Extent of Participation by Promoter/Promoter Group*” mentioned above.

## **Rights of the Rights Equity Shareholder**

Subject to applicable laws, the Rights Equity Shareholders shall have the following rights:

- The right to receive dividend, if declared;
- The right to attend general meetings and exercise voting powers, unless prohibited by law;
- The right to vote in person or by proxy;
- The right to receive offers for rights shares and be allotted bonus shares, if announced;
- The right to receive surplus on liquidation;
- The right to free transferability of Rights Equity Shares; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act and Memorandum of Association and Articles of Association.

## **General Terms of the Issue**

### **Market Lot**

The Equity Shares of our Company are tradable only in dematerialised form. The market lot for Rights Equity Shares in dematerialised mode is one Equity Share.

### **Joint Holders**

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Equity Shares offered in this Issue.



## Nomination

Nomination facility is available in respect of the Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014.

Since the Allotment is in dematerialised form, there is no need to make a separate nomination for the Equity Shares to be allotted in this Issue. Nominations registered with the respective DPs of the Shareholders would prevail. Any Shareholders holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant.

## Arrangements for Disposal of Odd Lots

The Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be One Equity Share and hence, no arrangements for disposal of odd lots are required.

## Notices

In accordance with the SEBI ICDR Regulations and the SEBI Right Issue Circulars, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, this Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation and one **Gujarati language national daily** newspaper with wide circulation being the **regional language of Gujarat, where our Registered Office is situated**.

This Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchanges for making the same available on their websites.

## Offer to Non-Resident Eligible Equity Shareholders/Shareholders

As per Rule 7 of the FEMA Rules, RBI has given general permission to Indian companies to issue Equity Shares to non-resident Equity Shareholders including additional Equity Shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by RBI, non-residents may, amongst other things, (i) subscribe for additional shares over and above their Rights Entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and non residents for allotment of Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Shareholders has specific approval from RBI or any other governmental authority, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar at Purva Shareregistry (India) Private Limited at [newissue@purvashare.com](mailto:newissue@purvashare.com). It will be the sole responsibility of the Shareholders to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and our Company will not be responsible for any such allotments made by relying on such approvals.

The Abridged Letter of Offer, the Rights Entitlement Letter and Application Form shall be sent only to the Indian addresses of the non-resident Eligible Equity Shareholders on a reasonable efforts basis, who have provided an Indian address to our Company and located in jurisdictions where the offer and sale of the Equity Shares may be permitted under laws of such jurisdictions, Eligible Equity Shareholders can access this Letter Offer, the Abridged Letter of Offer and the Application





Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Equity Shares under applicable securities laws) from the websites of the Registrar, our Company, and the Stock Exchanges. Further, Application Forms will be made available at Registered Office of our Company for the non-resident Indian Applicants. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the Allotment. The Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Equity Shares are issued on rights basis.

In case of change of status of holders, *i.e.*, from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

Please also note that pursuant to Circular No. 14 dated September 16, 2003 issued by RBI, Overseas Corporate Bodies (“OCBs”) have been derecognized as an eligible class of Shareholders and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Shareholders being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019.

The non-resident Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar and our Company by submitting their respective copies of self-attested proof of address, passport, etc. by mail at [newissue@purvashare.com](mailto:newissue@purvashare.com).

### ALLOTMENT OF THE EQUITY SHARES IN DEMATERIALIZED FORM

**PLEASE NOTE THAT THE EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH SHAREHOLDERS ON THE RECORD DATE. FOR DETAILS, SEE “ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS” AS MENTIONED ABOVE**

#### Issue Schedule

|  |                             |
|--|-----------------------------|
| Last date for credit of Rights entitlements              | Thursday, December 12, 2024 |
| Issue opening date                                       | Monday, December 23, 2024   |
| Last Date on Market Renunciation of Rights Entitlements# | Thursday, January 02, 2025  |
| Issue Closing Date*                                      | Tuesday, January 07, 2025   |
| Finalisation of Basis of Allotment (On or About)         | Thursday, January 16, 2025  |
| Date of Allotment (On or About)                          | Friday, January 17, 2025    |
| Date of Credit (On or About)                             | Tuesday, January 21, 2025   |
| Date of Listing (On or About)                            | Wednesday, January 22, 2025 |

**Note:** Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

\* Our Board or the Rights Issue Committee, duly constituted and authorized by the Board of Directors in their meeting held on May 30, 2024, thereof will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar at least two Working Days prior to the Issue Closing Date, *i.e.*, Friday, January 03, 2025 to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, *i.e.*, Monday, January 06, 2025.

#### Basis of Allotment

Subject to the provisions contained in this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to allot the Equity Shares in the following order of priority:





- (a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Equity Shares renounced in their favour, in full or in part.
- (b) Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one additional Equity Share each if they apply for additional Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Equity Shares after allotment under (a) above. If number of Equity Shares required for Allotment under this head are more than the number of Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.
- (c) Allotment to the Eligible Equity Shareholders who having applied for all the Equity Shares offered to them as part of this Issue, have also applied for additional Equity Shares. The Allotment of such additional Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Equity Shares will be on equitable basis giving due regard to the holdings as on the record date and will not be a preferential allotment.
- (d) Allotment to Renouncees who having applied for all the Equity Shares renounced in their favour, have applied for additional Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Equity Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- (e) Allotment to any other person, subject to applicable laws, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding.

After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Shareholders who have been allocated Equity Shares in this Issue, along with:

- i) The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;
- ii) The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- iii) The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

Further, the list of Applicants eligible for refund with corresponding amount will also be shared with Escrow Collection Bank(s) to refund such Applicants.

#### **ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS**

Our Company will send/ dispatch Allotment advice, refund intimations or demat credit of securities and/or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them; along with crediting the Allotted Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of 4 days from the Issue Closing Date. In case of failure to do so, our Company and our Directors who are "officers in default" shall pay interest at 15% p.a. and such other rate as specified under applicable law from the expiry of such 4 days' period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through an e-mail, to the e-mail address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Shareholders who remit their Application Money from funds held in the NRE or the FCNR Accounts, unblocking and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.



Where an Applicant has applied for additional Equity Shares in the Issue and is allotted a lesser number of Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

## PAYMENT OF REFUND

### Mode of making refunds

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes.

### Unblocking amounts blocked using ASBA facility.

**NACH** – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by RBI, where such facility has been made available. This would be subject to availability of complete bank account details including MICR code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.

**National Electronic Fund Transfer (“NEFT”)** – Payment of refund shall be undertaken through NEFT wherever the Shareholders’ bank has been assigned the Indian Financial System Code (“**IFSC Code**”), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Shareholders have registered their nine digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Shareholders through this method.

**Direct Credit** – Shareholders having bank accounts with the Banker(s) to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.

**RTGS** – If the refund amount exceeds ₹ 2,00,000, the Shareholders have the option to receive refund through RTGS. Such eligible Shareholders who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the Refund Bank(s) for the same would be borne by our Company. Charges, if any, levied by the Shareholder’s bank receiving the credit would be borne by the Shareholders.

For all other Shareholders, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demands drawn in favour of the sole/first Shareholders and payable at par.

Credit of refunds to Shareholders in any other electronic manner, permissible by SEBI from time to time.

**Refund payment to non-residents** The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

## ALLOTMENT ADVICE OR DEMAT CREDIT OF SECURITIES

### Receipt of the Equity Shares in Dematerialized Form

The demat credit of securities to the respective beneficiary accounts will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

**PLEASE NOTE THAT THE EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH SHAREHOLDERS ON**



**THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE.**

Shareholders shall be allotted the Equity Shares in dematerialized (electronic) form. Our Company has signed an agreement with NSDL and with CDSL which enables the Shareholders to hold and trade in the securities issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates.

**SHAREHOLDERS MAY PLEASE NOTE THAT THE EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALIZED FORM.**

The procedure for availing the facility for Allotment of Equity Shares in this Issue in the dematerialized form is as under:

- i) Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Shareholders having various folios in our Company with different joint holders, the Shareholders will have to open separate accounts for such holdings. Those Shareholders who have already opened such beneficiary account(s) need not adhere to this step.
- ii) It should be ensured that the depository account is in the name(s) of the Shareholders and the names are in the same order as in the records of our Company or the Depositories.
- iii) The responsibility for correctness of information filled in the Application Form *vis-a-vis* such information with the Shareholder's depository participant, would rest with the Shareholders. Shareholders should ensure that the names of the Shareholders and the order in which they appear in Application Form should be the same as registered with the Shareholder's depository participant.
- (iv) If incomplete or incorrect beneficiary account details are given in the Application Form, the Shareholders will not get any Equity Shares and the Application Form will be rejected.
- (v) The Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent directly to the Applicant by e-mail and, if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Equity Shares to the Applicant's depository account.
- (vi) Non-transferable Allotment advice/ refund intimation will be directly sent to the Shareholders by the Registrar, by e-mail and, if the printing is feasible, through physical dispatch.
- (vii) Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

## **IMPERSONATION**

As a matter of abundant caution, attention of the Shareholders is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

*“Any person who makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹ 0.1 crore or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than ₹ 0.1 crore or 1% of the turnover of the company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹ 0.5 crore or with both.



## UTILISATION OF ISSUE PROCEEDS

Our Board declares that:

- A. All monies received out of this Issue shall be transferred to a separate bank account;
- B. Details of all monies utilized out of this Issue referred to under (A) above shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
- C. Details of all unutilized monies out of this Issue referred to under (A) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

## UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

- i) The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.
- ii) All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges where the Equity Shares are to be listed will be taken by our Board within seven Working Days of finalization of Basis of Allotment.
- iii) The funds required for making refunds / unblocking to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.
- iv) Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Shareholders within 4 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
- v) In case of refund / unblocking of the Application Money for unsuccessful Applicants or part of the Application Money in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.
- vi) Adequate arrangements shall be made to collect all ASBA Applications.
- vii) Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

## SHAREHOLDERS GRIEVANCES, COMMUNICATION AND IMPORTANT LINKS

1. Please read this Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of this Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected.
2. All enquiries in connection with this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed “[●]” on the envelope and postmarked in India or in the e-mail) to the Registrar at the following address:

### **PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED**

**Address:** Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (East), Mumbai – 400011, Maharashtra, India;

**Contact Number:** + 91 22 4961 4132 / +91 22 4970 0138;

**Website:** [www.purvashare.com](http://www.purvashare.com);

**E-mail Address:** newissue@purvashare.com

**Investor Greivances E-Mail Address:** newissue@purvashare.com;

**Contact Person:** Ms. Deepali Dhuri;

**SEBI Registration Number:** INR000001112;

**Validity of Registration:** Permanent.

3. In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated Shareholders helpdesk for guidance on the Application process and resolution of difficulties faced by the Shareholders will be available on the website of the Registrar (i.e, Purva Sharegistry (India) Private Limited at [www.purvashare.com](http://www.purvashare.com)).
4. Frequently asked questions and online/ electronic dedicated Shareholders helpdesk for guidance on the Application process and resolution of difficulties faced by the Shareholders: [www.purvashare.com](http://www.purvashare.com)).
5. Updation of Indian address/ e-mail address/ phone or mobile number in the records maintained by the Registrar or our Company: [www.purvashare.com](http://www.purvashare.com)).



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6. Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: [www.purvashare.com](http://www.purvashare.com)).
  7. Submission of self-attested PAN, client master sheet and demat account details by non- resident Eligible Equity Shareholders: [newissue@purvashare.com](mailto:newissue@purvashare.com).
  8. This Issue will remain open for a minimum 15 days. However, our Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Closing Date).



## RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment (“**FDI**”) and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion) (“**DPIIT**”), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2020 (“**FDI Circular 2020**”), which, with effect from October 15, 2020, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2020 will be valid until the DPIIT issues an updated circular.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict, the relevant notification under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 will prevail. The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI. The FDI Circular 2020, issued by the DPIIT, consolidates the policy framework in place as on October 15, 2020, and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that (i) the activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectorial limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

No investment under the FDI route (i.e. any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. Our Company will not be responsible for any allotments made by relying on such approvals.

Please also note that pursuant to Circular no. 14 dated September 16, 2003 issued by RBI, Overseas Corporate Bodies (“**OCBs**”) have been derecognized as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as a incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals.

The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.





## SECTION XI – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The contracts referred to in para (A) below (not being contracts entered into in the ordinary course of business carried on by our Company) which are or may be deemed material have been entered into by our Company.

The contracts together with the documents enlisted below may be inspected online, on website of the company on [www.sikkoindia.com](http://www.sikkoindia.com) and physically at the registered office of our Company between 11.00 a.m. to 5.00 p.m. on any working day from the date of the Letter of Offer until the closure of the subscription list.

#### A. MATERIAL CONTRACTS

1. Registrar Agreement dated July 10, 2024 between our Company and Registrar to the Issue.
2. Banker to the Issue Agreement dated November 07, 2024 between our Company, ICICI Bank Limited, and Registrar to the Issue.
3. Tripartite agreement dated March 29, 2017 amongst our Company, NSDL and the Registrar to the Issue; and
4. Tripartite agreement dated March 21, 2017 amongst our Company, CDSL and the Registrar to the Issue

#### B. DOCUMENTS FOR INSPECTION

1. Certified True Copy of Memorandum & Articles of Association of our Company.
2. Certificate of incorporation dated February 08, 2000 issued to our Company upon incorporation.
3. Fresh Certificate of incorporation issued consequent upon the conversion of company into public company, the name of the company has been changed from SIKKO SPRAYERS PRIVATE LIMITED TO SIKKO SPRAYERS LIMITED vide letter dated 16<sup>th</sup> March, 2010.
4. Fresh certificate of incorporation dated 17<sup>th</sup> March, 2010 consequent upon the change of name of the company SIKKO SPRAYERS LIMITED TO SIKKO INDUSTRIES LIMITED.
5. Resolution of the Board of Directors under section 62 of Companies Act, 2013 passed in its meeting dated May 30, 2024 authorising the Issue and Resolution dated Saturday, November 30, 2024 determining the terms of issue.
6. Consents of the Directors, Company Secretary and Compliance Officer, Statutory and Peer Reviewed Auditors, Advisor to the Issue, and Registrar to the Issue and Bankers' to Issue to include their names in this Letter of Offer to act in their respective capacities.
7. Annual report of our Company for the financial years ended March 31, 2024, 2023 and 2022.
8. Unaudited Financial Results for the quarter and half year ended on September 30, 2024.
9. Fund Deployment Certificate dated November 29, 2024 received from M/s. D G M S & Co., Chartered Accountants, regarding expenditure incurred on the proposed object of the Issue and source of deployed fund.
10. A statement of possible special tax benefits dated July 10, 2024 received from M/s. D G M S & Co., Chartered Accountants, regarding possible special tax benefits available to our Company and shareholders.
11. In-principle listing approval letter Ref. No. NSE/LIST/C/2024/44141 dated October 16, 2024 from NSE under Regulation 28(1) of the SEBI Listing Regulation.

Any of the contracts or documents mentioned in this Letter of Offer may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Equity Shareholders, subject to compliance with applicable law.



## DECLARATION

We hereby declare that all relevant provisions of the Companies Act and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements in this Letter of Offer are true and correct.

| <b>Name</b>  | <b>Signature</b> |
|--|------------------|
| <b>Ghanshyambhai Mohanbhai Kumbhai</b><br><b>Chairman and Whole-Time Director</b><br><b>DIN: 00587855</b>                | <b>Sd/-</b>      |
| <b>Jayantibhai Mohanbhai Kumbhani</b><br><b>Managing Director</b><br><b>DIN: 00587807</b>                                | <b>Sd/-</b>      |
| <b>Ashvinkumar Ramnikbhai Trapasiya</b><br><b>Independent Director</b><br><b>DIN: 10198672</b>                           | <b>Sd/-</b>      |
| <b>Hasmukh Veljibhai Vavaiya</b><br><b>Independent Director</b><br><b>DIN: 07807509</b>                                  | <b>Sd/-</b>      |
| <b>Mamtaben Hiteshbhai Thumbar</b><br><b>Independent Director</b><br><b>DIN: 07732851</b>                                | <b>Sd/-</b>      |
| <b>Alpaben Jayantibhai Kumbhani</b><br><b>Executive Director</b><br><b>DIN: 00587848</b>                                 | <b>Sd/-</b>      |
| <b>Mr. Dhruvitkumar Pareshbhai Mandliya</b><br><b>Company Secretary and Compliance Officer</b><br><b>PAN: CYXPM3934Q</b> | <b>Sd/-</b>      |
| <b>Mr. Mukesh Vasantlal Shah</b><br><b>Chief Financial Officer</b><br><b>PAN: BBDPS0913D</b>                             | <b>Sd/-</b>      |

**Place:** Ahmedabad

**Date:** December 04, 2024