

SKY INDUSTRIES LIMITED



CIN No.: L17120MH1989PLC052645

Corp Off.: 1101, Universal Majestic, Behind RBK Intl School, Ghatkopar Mankhurd Link Road, Chembur (West), Mumbai - 400043
Tel.: +91 22 67137900, Website.: www.skycorp.in

SKY/SE/21-22/33

August 12, 2021

To
BSE Limited
P. J. Towers, Dalal Street,
Mumbai- 400 001
Scrip Code: 526479

Dear Sir/Madam

Sub: Sky Industries Limited: Outcome of the Board Meeting held on August 12, 2021

In terms of the provision of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we wish to inform that the Board of Directors of the Sky Industries Limited ("Company") at its Meeting held today i.e. August 12, 2021, *inter-alia*:

- a) Considered & approved the Unaudited Financial Results of the Company for the First Quarter ended on June 30, 2021. The said Unaudited Financial Results along with the Limited Review Report of the Statutory Auditors of the Company for the said period are enclosed herewith in terms of Regulation 30 & 33 of Listing Regulations.
- b) Considered & approved the allotment of 9,90,000 Equity Shares of face value of Rs. 10 each at an exercise price of Rs. 30 per Equity Share pursuant to conversion of 9,90,000 Warrants in accordance with the Special Resolution passed by the Members of the Company through Postal Ballot Notice on January 09, 2021 and in-principle approval received from BSE Limited Letter Ref. No. DCS/PREF/JR/PRE/988/2020-21 dated February 01, 2021, to respective allottees:

SN	Name	Category	No. of Shares	Amount per share	Total Aggregate Amount
1.	Shailesh S. Shah	Promoter	3,40,000	Rs. 30/- each	10200000
2.	Sharad S. Shah	Promoter	1,50,000	Rs. 30/- each	4500000
3.	Saloni Dedhia	Promoter	2,35,000	Rs. 30/- each	7050000
4.	Harini Dedhia	Non-Promoter	2,65,000	Rs. 30/- each	7950000

Pursuant to allotment of aforesaid mentioned Equity Shares, the Paid-up Equity Share Capital stands increased from Rs. 5,79,87,450 /- divided into 57,98,745 Equity Shares to Rs. 6,78,87,450/- divided into 67,88,745 Equity Shares.

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The Meeting of Board of Directors of the Company commenced at 12.20 P.M. and concluded at 02:10 P.M.

We request you to take the above information on record.

Thanking you

Yours faithfully

For SKY INDUSTRIES LIMITED

MAIKAL RAORANI
WHOLE TIME DIRECTOR & CFO
DIN: 00037831





CGCA & Associates LLP
CHARTERED ACCOUNTANTS

Champak K. Dedhia B.Com, FCA
Gautam R. Mota B.Com, LLB, FCA

LIMITED REVIEW REPORT

To,
Board of Directors,
Sky Industries Limited
Mumbai

We have reviewed the accompanying statement of unaudited financial results ("Statement") of **Sky Industries Limited** (the "Company") for the quarter ended 30th June, 2021 attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (the "Listing Regulations").

The preparation of the statement is the responsibility of the Company's management and have been approved by the Board of Directors of the Company, and have been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India.

Our responsibility is to express a conclusion on the statements based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "*Review of Interim Financial Information performed by the Independent Auditor of the Entity*", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statement is free of material misstatement. A review of interim financial information consists of making inquiries primarily persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in the audit. Accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

We draw your attention to Note 7 of the Statement, as regards the management's evaluation of COVID-19 impact on the operations and assets of the Company. Our conclusion is not modified in respect of this matter.

For **CGCA & Associates LLP**
Chartered Accountants
Firm Reg. No.: 123393W


Champak K. Dedhia
Partner



Membership No. 101769

Mumbai, 12th August, 2021

UDIN: 21101769AAAAM74678.

907 Kohinoor Square, 9th Floor, B Wing, NC Kelkar Road, RG Gadkari Chowk, Dadar West, Mumbai - 28, India
Tel : +91 22 4042 2400, Email : info@cgcaindia.com

CGCA & Associates (a Partnership Firm) converted into CGCA & Associates LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAX-4139) with effect from June 15, 2021.

Unaudited Financial Results for the quarter and year ended 30th June 2021

(RS in Lacs)

Sr. No.	Particulars	Quarter ended			Year Ended
		30.06.2021 (Unaudited)	31.03.2021 (Audited)	30.06.2020 (Unaudited)	31.03.2021 (Audited)
1	Revenue from Operations	1,502.58	1,826.42	475.11	5,340.38
2	Other Income	19.66	9.40	10.10	42.69
	Total Income (1+2)	1,522.24	1,835.82	485.20	5,383.06
3	Expenses				
	Cost of materials consumed	929.71	1,114.79	287.41	3,002.48
	Purchases of Stock in trade	129.08	79.94	97.07	395.41
	Changes in inventories of finished goods, work-in-progress and stock in trade	(92.17)	17.72	(36.57)	262.41
	Employee Benefit Expenses	113.35	116.21	86.56	424.35
	Finance Costs	28.57	32.90	28.00	115.20
	Depreciation	51.06	51.26	51.07	205.95
	Other Expenses	211.68	310.83	90.05	744.91
	Total Expenses	1,371.28	1,723.65	603.58	5,150.71
	Profit from operations before exceptional items and tax (1+2-3)	150.96	112.16	(118.38)	232.35
4	Exceptional Items	-	-	-	92.05
5	Profit/ (Loss) before tax (4-5)	150.96	112.16	(118.38)	140.30
6	Tax Expense				
	1. Current Tax	37.70	34.04	-	60.54
	2. Short Provision of Tax of previous year	2.50	-	(2.62)	(2.09)
	3. Deferred Tax	0.51	1.40	(28.59)	1.94
7	Net Profit / (Loss) after tax (7-8)	110.26	76.72	(87.17)	79.91
8	Other Comprehensive Income	-	-	-	-
9	Comprehensive Income for period	110.26	76.72	(87.17)	79.91
10	Faid up Equity Share Capital (Face value of Rs. 10/- each)	57,98,745	55,48,745	48,36,400	55,48,745
11	Earnings per equity share				
	1. Basic	1.95	1.46	(1.81)	1.61
	2. Diluted	1.57	1.40	(1.81)	1.48

NOTES:

- The above results have been reviewed by the Audit Committee of the Board and approved by the Board of Directors of the Company at its meeting held on 12th August, 2021.
- The financial results have been prepared in accordance with the applicable accounting standards, as modified by the Companies (Indian Accounting Standards) Rules, 2015 and as specified in section 133 of the Companies Act, 2013.
- The Company mainly operates in a single primary business segment comprising of manufacture and trading of narrow fabrics, therefore disclosure requirements as per Ind AS 108, "Operating Segments" are not applicable to the Company.
- During the period, the Company has made an allotment of 2,50,000 equity shares on conversion of share warrants.
- Other Comprehensive income represents remeasurement of defined benefit obligation.
- The Company has granted 1,72,462 options on February 14, 2019, to the eligible employees as per the Company's Employee Stock Option Plan (ESOP 2018) out of which 15,542 options have lapsed. As per Ind AS 102- "Share Based Payment" total charge of ESOP will be apportioned over the vesting period, accordingly the Employee Benefit Expenses includes ESOP Charge under respective period as under:

	Quarter ended			Year ended
	30.06.2021	31.03.2021	30.06.2020	31.03.2021
ESOP Charge	50,736	3,17,234	5,11,484	10,91,717

- The results of quarter ended June 30, 2021 are not comparable with the results of the corresponding quarter ended June 30, 2020 as pursuant to nationwide lockdown imposed by the Government of India due to COVID 19, the company's manufacturing facilities and operations were shut down for some period during the quarter ended June 30, 2020. Further, the Company has made detailed assessment of the recoverability and carrying value of its assets comprising property, plant and equipment, inventories, receivables and other current assets as at the period end and on the basis of evaluation, has concluded that no material adjustments are required in the financial results. Given the uncertainties associated with the nature, condition and duration of COVID-19, the impact assessment on the Company's financial statements will be continuously made and provided for as and when required.
- The Indian Parliament has approved the Code of Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the rules for quantifying the financial impact are yet to be framed. Based on initial assessment by the Company, the additional impact on Provident Fund contributions by the Company is not expected to be material, whereas, the likely additional impact on Gratuity liability / contributions by the Company could be material. The Company will complete their evaluation and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.
- The previous financial period/year figures have been regrouped/rearranged wherever necessary to make them comparable.

For and on behalf of Board of directors of
SKY INDUSTRIES LTD

Shailesh S Hah
SHAILESH S HAH
DIRECTOR
DIN:- 00006154

Place : Mumbai
Dated : 12/08/2021

