

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/22-23/43

November 12, 2022

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 November 12, 2022

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., November 12, 2022, *inter-alia*, considered & approved the Unaudited Financial Results of the Company for the Second Quarter and Half Year ended on September 30, 2022.

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.

The Meeting of Board of Directors of the Company commenced at 12.00 Noon and concluded at 03:30 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



Encl.: a/a

SKY INDUSTRIES LIMITED
Registered Office : C-58, TTC Industrial Area, Thane Belapur Road, Navi Mumbai - 400 705
CIN :L17120MH1989PLC052645

Unaudited Financial Results for the quarter and year ended 30 September 2022

(Rs. In Lacs)

Sr. No.	Particulars	Quarter ended			Half Year Ended		Year Ended
		30.09.2022	30.6.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Revenue from Operations	2,274.27	1,702.98	1,935.18	3,977.26	3,437.77	7,024.54
2	Other Income	22.29	0.95	22.85	23.23	42.51	85.93
	Total Income (1+2)	2,296.56	1,703.93	1,958.04	4,000.49	3,480.28	7,110.46
3	Expenses						
	Cost of materials consumed	1,640.15	962.90	1,480.14	2,603.05	2,409.85	4,659.01
	Purchases of Stock in trade	138.24	129.61	125.53	267.85	254.61	406.12
	Changes in inventories of finished goods, work-in-progress and stock in trade	(101.15)	(12.87)	(313.57)	(114.03)	(405.74)	-478.75
	Employee Benefit Expenses	141.78	133.96	123.34	275.75	236.69	489.95
	Finance Costs	28.30	33.39	35.33	61.69	63.90	126.29
	Depreciation on Fixed Assets	30.93	30.22	56.47	61.15	107.53	115.31
	Amortisation of right of use	11.50	11.50	-	22.99	-	73.69
	Other Expenses	308.19	307.41	280.21	615.60	491.89	1,061.98
	Total Expenses	2,197.93	1,596.11	1,787.45	3,794.04	3,158.73	6,453.61
4	Profit from operations before exceptional items and tax (1+2-3)	98.63	107.82	170.59	206.44	321.55	656.85
5	Exceptional Items	-	-	-	-	-	-
6	Profit before tax (4-5)	98.63	107.82	170.59	206.44	321.55	656.85
7	Tax Expense						
	a. Current Tax	22.63	34.60	45.06	57.23	82.76	163.59
	b. Short Provision of Tax of previous year	-	-	-	-	2.50	2.50
	c. Deferred Tax	1.87	(6.55)	0.60	(4.68)	1.11	3.56
8	Net Profit after tax (7-8)	74.13	79.77	124.94	153.89	235.18	487.20
9	Other Comprehensive Income	1.80	-	-	1.80	-	4.81
10	Total Comprehensive Income for period & other Comprehensive Income for period (8+9)	75.93	79.77	124.94	155.69	235.18	492.01
11	Paid up Equity Share Capital (Face value of Rs. 10/- each)	785.98	785.98	678.87	785.98	678.87	684.98
12	Earnings per equity share						
	1. Basic	0.94	1.06	1.97	2.00	3.92	7.70
	2. Diluted	0.94	1.05	1.64	1.99	3.16	6.28

NOTES:

- The above statement of unaudited financial results for the quarter and half year ended 30th September, 2022 of Sky Industries Limited is reviewed by the Audit Committee and thereafter approved by the Board of Directors at their meeting held on 12th November, 2022. The unaudited 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 are in compliance with the requirements of Ind AS 108, "Operating Segments".
- The figures for the quarter ended September 30, 2022 are balancing figure between unaudited figures in respect of unaudited published figure of June 30, 2022 and the unaudited published figure up to September 30, 2022 being the end of Second quarter of the financial year which were subjected to limited review.
- Other Comprehensive income represents remeasurement of defined benefit obligation.
- Pursuant to the Company's Employee Stock Option Plan (ESOP 2018), Stock Options convertible into 1,72,462, 5,800 and 32,700 equity shares of Rs.10/- each were granted to the eligible employees on February 14, 2019, 8th March, 2021 and 30th April, 2022 respectively at exercise price of Rs.10/-. Out of the options granted 23,988 options have lapsed. Out of the Options granted, 1,78,262 Options are vested as at 30th June, 2022. Against the vested Options, 1,33,441 equity shares of Rs.10/- each were allotted pursuant to exercise of Options. 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
	30.09.2022	30.06.2022	30.09.2021	31.03.2022
ESOP Charge (in Rs.)	9,13,693	3,65,477	27,129	2,12,264

- 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.

Place : Mumbai
Dated : 12th November, 2022



For and on behalf of Board of directors of
SKY INDUSTRIES LTD
Maaa
MAIKAL RAORANI
WHOLE TIME DIRECTOR & CFO
DIN:- 00037831



Unaudited Statement of Assets and Liabilities

(Rs. in Lakhs)

Sr. No.	Particulars	As on Sep 30, 2022	As on March 31, 2022
		(Unaudited)	(Audited)
1	ASSETS		
	Non-current assets		
A	(a) Property, Plant & Equipment	1,069.60	1,095.71
	(b) Capital Work in Progress	25.74	16.76
	(c) Intangible Assets	0.99	0.19
	(d) Right of use of Assets	122.62	-
	(e) <u>Financial Assets</u>		
	(i) Investments	40.67	37.37
	(ii) Others	30.28	11.70
	(f) Other Non Current assets	7.71	5.59
		1,297.60	1,167.32
B	Current assets		
	(a) Inventories	2,229.88	1,938.52
	(b) <u>Financial Assets</u>		
	(i) Investments	618.46	602.38
	(ii) Trade Receivables	1,463.04	1,207.91
	(iii) Cash and cash equivalents	120.98	11.67
	(iv) Bank Balance Other than above	245.69	119.57
	(v) Others	26.52	42.49
	(c) Other Current Assets	737.90	595.65
		5,442.47	4,518.20
		6,740.06	5,685.52
2	EQUITY AND LIABILITIES		
A	EQUITY		
	(a) Equity Share capital	785.98	684.98
	(b) Other Equity	2,815.42	2,602.93
	Total Equity	3,601.40	3,287.92
B	LIABILITIES		
	Non-current liabilities		
	(a) <u>Financial Liabilities</u>		
	(i) Borrowings	65.13	96.39
	(ii) Lease Liabilities	82.98	-
	(iii) Other financial liabilities	1.50	1.75
	(b) Provisions	16.91	16.48
	(c) Deferred tax liabilities (net)	83.72	87.79
		250.24	202.40
C	Current liabilities		
	(a) <u>Financial Liabilities</u>		
	(i) Borrowings	1,580.49	1,298.10
	(ii) Lease Liabilities	41.17	-
	(iii) Trade payables	1,082.67	741.96
	(iv) Other financial liabilities	11.46	11.46
	(b) Other Current Liabilities	89.80	108.11
	(c) Provisions	82.83	35.57
		2,888.42	2,195.20
		6,740.06	5,685.52



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

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MAIKAL RAORANI

WHOLE TIME DIRECTOR & CFO

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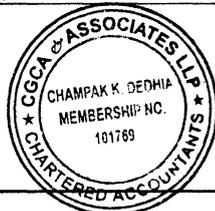
Place : Mumbai

Dated : 12th November, 2022

Cash Flow Statement for the year ended 30th September 2022

Particulars	Half year ended 30.09.2022	Half year ended 30.09.2021
	(Unaudited)	(Unaudited)
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	206.44	321.55
Add / (Less):- Adjustments for Non-Cash / Non-Operating Items:		
Add: Depreciation and amortisation of property, plant and equipment	84.14	107.53
Add: Interest expense and other finance cost	61.69	61.94
Less: Interest income	(0.01)	(1.62)
Less: Interest on Income Tax refund	-	(1.87)
Less: Unrealised gain on investments classified through FVTPL	(7.37)	(30.82)
Less: Interest on financial asset carried at cost	(1.64)	(1.06)
Add: Processing fees	-	1.95
Add: Share based expense	9.14	0.78
Operating Profit Before Changes in Working Capital	352.38	458.39
Adjustment for Changes in Working Capital		
(Increase) / Decrease in Other Non - Current Financial Assets	(16.95)	(6.38)
(Increase) / Decrease in Inventories	(291.36)	(506.13)
(Increase) / Decrease in Trade Receivables	(255.13)	8.33
(Increase) / Decrease in Other Current Financial Assets	15.97	
(Increase) / Decrease in Other Current Assets	(142.25)	(115.38)
(Increase) / Decrease in Right to Use Assets	-	(61.58)
Increase / (Decrease) in Trade Payables	340.71	12.74
Increase / (Decrease) in Other Non Current Financial Liabilities	(0.25)	13.45
Increase / (Decrease) in Other Current Liabilities	(18.31)	19.46
Increase / (Decrease) in Provisions	50.10	32.18
Cash Generated from Operations	34.92	(144.93)
Less: Taxes Paid (Net of refund received)	(59.34)	(61.25)
Less: Dividend & Dividend Distribution Tax Paid	(78.60)	(57.99)
NET CASH FLOW FROM OPERATING ACTIVITY (A)	(103.02)	(264.17)
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(44.82)	(100.47)
Sale of property, plant and equipment	-	
Purchase of Investments	(12.00)	(42.00)
Interest Received	0.01	1.62
Movement in other bank balances	(126.11)	(60.80)
NET CASH FLOW FROM INVESTING ACTIVITY (B)	(182.92)	(201.64)
C CASH FLOW FROM FINANCING ACTIVITY		
Proceeds from /(Repayment) of long term borrowings	(30.05)	(31.00)
Repayment of Lease Liability	(27.19)	(48.42)
Proceeds from /(Repayment) of short term borrowings	281.19	204.61
Proceeds from issue of shares against share warrants	227.25	277.59
Finance Cost	(55.96)	(50.75)
NET CASH FLOW FROM FINANCING ACTIVITY (C)	395.24	352.04
NET CASH FLOW FOR THE YEAR (A + B + C)	109.31	(113.77)
Add: Opening Balance of Cash & Cash Equivalents	11.67	127.92
CLOSING BALANCE OF CASH & CASH EQUIVALENTS	120.98	14.15
RECONCILIATION OF CASH AND CASH EQUIVALENT		
TOTAL CASH AND BANK BALANCE AS PER BALANCE SHEET		
CASH AND CASH EQUIVALENT COMPRISES AS UNDER:		
Balance with banks in current accounts	110.57	12.17
Cash on Hand	10.41	1.98
CASH AND CASH EQUIVALENT	120.98	14.15
CASH AND CASH EQUIVALENT AT THE END OF THE YEAR	120.98	14.15

Place : Mumbai
Dated : 12th November, 2022



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

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MAIKAL RAORANI
WHOLE TIME DIRECTOR & CFO
DIN:- 00037831



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 and half yearly ended 30th September, 2022 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 and in compliance with Regulation 33 of Listing Regulations. The statement has been approved by Company's Board of Directors.

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.

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

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Kalyanji Dedhia

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Champak K. Dedhia
Partner
Membership No. 101769
Mumbai, 12th November, 2022
UDIN: 22101769BCXKZM9487