

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/23-24/19

June 07, 2023

To
BSE LTD
P.J. Towers, Dalal Street,
Mumbai- 400 001
SCRIP CODE- 526479

Sub: Annual Report for the Financial Year 2022-2023.
Ref: Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)

Dear Sir/Madam,

Pursuant to Regulation 34(1) of the Listing Regulations, please find enclosed herewith Annual Report of the Company for the Financial Year 2022-2023 along with the Notice of the 34th Annual General Meeting (AGM) scheduled to be held on **Friday, June 30, 2023 at 11:00 A.M. IST** through Video Conferencing ('VC') / Other Audio-Visual Means ('OAVM'). The AGM will be held without the physical presence of the Members at a common venue.

The Annual Report is being sent through electronic mode to those Members whose e-mail addresses are registered with the Company/Registrars and Transfer Agent/Depositories.

The Notice of 34th AGM of the Company along with Annual Report is also available on the website of the Company at: <https://skycorp.in/wp-content/uploads/2023/06/SKY-Industries-Ltd.-Annual-Report-2022-2023.pdf>

Kindly take the same on record.

Thanking you,

Yours faithfully,

For SKY INDUSTRIES LIMITED

MAIKAL RAORANI
WHOLE TIME DIRECTOR & CFO
DIN:00037831

Encl.: a/a



INNOVATIVE FASTENING SOLUTIONS



SKY INDUSTRIES LIMITED

Annual Report 2022-23

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Caution regarding forward looking statements This report contains forward looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other synonyms. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, results, expenditure, and financial results are forward looking statements. Forward looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

WHAT WE ARE WHAT WE DO?



SKY AT A GLANCE

SKY INDUSTRIES LIMITED, established in the year 1989, is one of India's major players in Narrow Woven Fabrics. The Company not only limits itself domestically, but also has its presence spread across globally and is further looking to expand its global footprint.

Our Expansive & Extensive range of products include Hook & Loop Tapes, Value added items, webbings, Neoprene, customised applications and specialised elastics. We also serve to crucial industries such as Defence, Home Furnishing, Orthopaedics, Automobile and Footwear Industries.





CORPORATE BACK GROUND

Sky Industries Limited is a Hook and Loop Tape fasteners producing company in India. The corporation has been an experienced player in the market and has always been putting customer's delight first.

CAPABILITIES

The Company is engaged in Marketing, Exporting and manufacturing Quality marked products applicable in various industries such as Sports, Defence, Footwear, Home-Furnishing, Automotive, Apparels and Cable Networking.



CERTIFICATION

We continue to endeavour with the goal and focus of becoming a globally- valuable and instrumental organisation by exhibiting a provision of high quality commodities and services which is eventually transparent with achieving these valuable certificates.

Our Brands



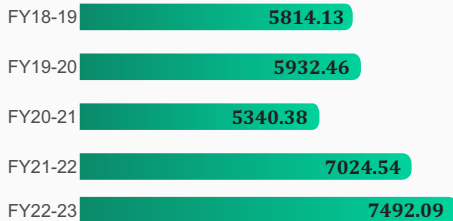
Performance Overview



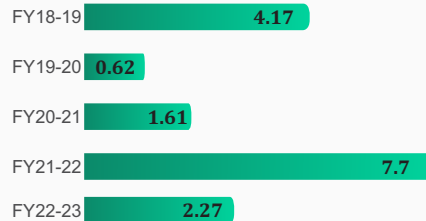
5 Financial Year highlights (in Rs. lakhs)

Particulars	FY 2023	FY 2022	FY 2021	FY 2020	FY 2019
Revenue from operations	7492.09	7024.54	5340.38	5932.46	5814.13
Profit from operations before exception items & tax	233.67	656.85	232.35	117.87	306.28
Profit / (Loss) before tax	233.67	656.85	140.3	31.97	256.52
Net Profit / (Loss) after tax	176.82	487.20	79.91	28.76	180.54
Paid up equity share capital (face value of Rs. 10/- each)	785.98	684.98	554.87	483.64	460.64
Earnings per equity share (in Rs)	2.27	7.70	1.61	0.62	4.17

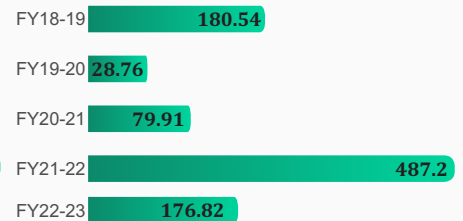
Revenue from Operations (Amount in Lakhs)



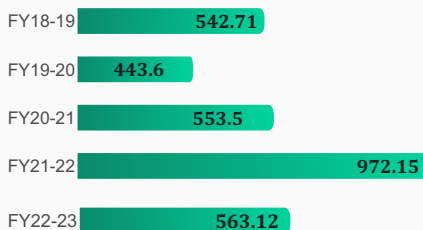
EPS (Amount in Rupees)



Net Profit (Amount in Lakhs)



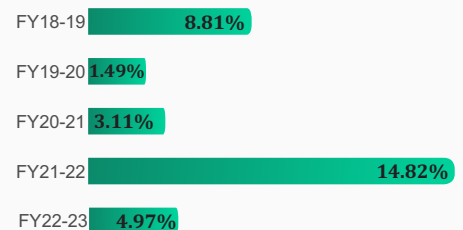
EBIDTA (Amount in Lakhs)



Dividend per share (Amount in Rupees)



Return on networth (%)



Managing Director's Message



Dear Members,

I am pleased to share with you the journey of your Company, Sky Industries Limited in the Financial Year 2022-23, a year that has faced several challenges and the company sustained itself in the business as pioneers of Hook and Loop Tape Fasteners and other allied products by leveraging its emerging opportunities in India's B2B segment. Your company has delivered a stable performance during this year, we have also expanded the ambit of our products to cater to customer's requirements which further strengths our value propositions.

At Sky, the governance principles comprises but are not limited to doing the right things, maintain highest level of integrity, discipline, long-term and sustainable approach, controlled growth, aided by competent Board of Directors, and a process-driven approach.

Your Company's Performance

Sky reported revenues of Rs. 7492.09 Lakhs during the year and PAT of 176.82 Lakhs. The Company is in the midst of an attractive growth phase; the Company is bringing on a combination of new capacities, high capacity utilisation and superior realisations to generate quarter on-quarter growth, validating its position as a Company committed to enhancing stakeholder value.

The Journey of Growth ahead

At Sky, we have been always engaged in satisfying customer's needs and offering new range of products through our customised products and moderating our production costs, strengthen the supply management systems, widen our product mix at the same time. We expect FY 24 to be marked as a strong foundation for our future growth in to innovation.

Conclusion

I would like to express my gratitude to all our valued stakeholders, including our customers, suppliers, vendors, lenders and share-holders for their continuance support and upholding their confidence in Sky. I would also like to express my sincere gratitude to all our employees at Sky for their unwavering focus, passion and dedication in assisting us in serving our customers.

I request your extended support & cooperation.

Warm Regards,

Shailesh S. Shah
Managing Director

Our Esteemed Board of Directors



MR. SHAILESH SHAH

Managing Director

He is a post graduate, having a vast Industrial experience of more than three decades. He has been associated with the Company from the inception stage. He is looking broadly into marketing as well as operations of the Company since the manufacturing activity had commenced.

MR. SHARAD SHAH

Whole Time Director

Having a vast experience of more than three decades in Administration and Business. He has been heading the elastic division right from initial stages of the Company. His acumen in administration matters is an asset to the Company.

MR. VAIBHAV DESAI

Whole Time Director

He is an engineer by qualification & has been in the field of Manufacturing & operations from the past three decades having a rich experience in projects, operation process development.

MR. MAIKAL RAORANI

Whole Time Director & CFO

He is an Engineer and an MBA Graduate. He has more than two decades of experience and expertise in the field of Production, Marketing, Finance, Commercial and Legal matters. His experience has helped the Company to emerge as one of the leading Technical Textiles Company in the Country.

MR. AMARENDRA MOHAPATRA

Non-Executive Independent Director

He has a wide experience and expertise in the field of Secretarial and legal Compliance field for over a decade. He brings his expertise of handling independently all legal & secretarial work related to investor grievances and proficiency in mergers, takeovers and delegation of tasks.

MR. NITIN OZA

Non-Executive Independent Director

He is a Qualified Chartered Accountant from The Institute of Chartered Accountants of India. He is having an experience of more than 20 years in the field of Finance, Accountancy and Tax.

MRS. SANGHAMITRA SARANGI

Non-Executive Independent Director

She is a graduate holding degree of Company Secretary and L.L.B. having an experience of more than a decade. She has a vast experience in the field of compliance, legal & due diligence.

MR. LOKANATH MISHRA

Non-Executive Independent Director

He is an Advocate from Bombay High Court having an experience of 15 years in the legal field, He has handled matters related to SEBI, SAT, BSE for various listed Companies.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Managing Director
Mr. Shailesh S. Shah

Whole Time Directors

Mr. Maikal Raorani
Mr. Sharad S. Shah
Mr. Vaibhav Desai

Independent Directors

Mr. Amarendra Mohapatra
Mr. Lokanath Mishra
Mr. Nitin Oza
Mrs. Sanghamitra Sarangi

Chief Financial Officer

Maikal Raorani

Company Secretary & Compliance Officer

Mr. Swapnil Soni (Up to March 13, 2023)
Ms. Priyal Ruparelia (w.e.f. May 16 , 2023)

BOARD COMMITTEES

Audit Committee

Mr. Lokanath Mishra- Chairperson
Mr. Amarendra Mohapatra- Member
Mrs. Sanghamitra Sarangi- Member
Mr. Maikal Raorani - Member

Nomination & Remuneration Committee

Mr. Lokanath Mishra- Chairperson
Mr. Amarendra Mohapatra- Member
Mrs. Sanghamitra Sarangi- Member

Stakeholders Relationship Committee

Mr. Lokanath Mishra- Chairperson
Mr. Amarendra Mohapatra- Member
Mrs. Sanghamitra Sarangi- Member
Mr. Maikal Raorani - Member

Corporate Social Responsibility Committee

Mr. Lokanath Mishra- Chairperson
Mr. Amarendra Mohapatra- Member
Mrs. Sanghamitra Sarangi- Member
Mr. Maikal Raorani - Member

STATUTORY AUDITORS

CGCA & Associates LLP, Chartered Accountants

INTERNAL AUDITORS

S. A. Porwal & Associates

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Private Limited
C 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai 400 083.
E-mail: rnt.helpdesk@linkintime.co.in

BANKER

Kotak Mahindra Bank

CIN

L17120MH1989PLC052645

REGISTERED OFFICE

C-58, TTC Industrial Area, Thane Belapur Road, Pawane,
Navi Mumbai – 400705.

CORPORATE OFFICE

1101, Universal Majestic, Ghatkopar Mankhurd Link Road
Chembur (W), Mumbai – 400043.

Email: corporate@skycorp.in

Website: www.skycorp.in

 /skyindustriesltd

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NOTICE

SKY INDUSTRIES LIMITED
(CIN: L17120MH1989PLC052645)

Registered Office: C - 58 TTC Industrial Area, Thane Belapur Road, Pawane, Navi Mumbai - 400 705
Email: corporate@skycorp.in; Website: www.skycorp.in
Tel: 022-67137900

NOTICE OF 34th ANNUAL GENERAL MEETING

NOTICE is hereby given that the Thirty Fourth (34th) Annual General Meeting ("AGM") of the Members of Sky Industries Limited ("the Company") will be held on Friday, June 30, 2023 at 11:00 a.m. IST through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") facility, to transact the following Business:

ORDINARY BUSINESS:

1. Adoption of Accounts

To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2023 together with the Reports of the Auditors and the Board of Directors' thereon.

2. Declaration of Dividend

To declare a final dividend @10% i.e. ₹ 1/- per Equity Share of ₹ 10/- each for the Financial Year ended March 31, 2023.

3. Retirement by Rotation

To appoint a Director in place of Mr. Maikal Raorani (DIN: 00037831), who retires by rotation and being eligible, offers himself for re-appointment.

4. Retirement by Rotation

To appoint a Director in place of Mr. Sharad S. Shah (DIN: 00006114), who retires by rotation and being eligible, offers himself for re-appointment.

5. Re-appointment of Statutory Auditors

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

"RESOLVED THAT pursuant to Section 139, 141, 142 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 made thereunder (including any statutory modification(s)/ enactment/ re-enactment(s) for the time being in force), and pursuant to the

recommendation of the Audit Committee, CGCA and Associates LLP, Chartered Accountants (Firm Registration No. 123393W) be and are hereby re-appointed as the Statutory Auditors of the Company for the second consecutive term of five years to hold office from the conclusion of this 34th Annual General Meeting till the conclusion of the 39th Annual General Meeting to be held in the year 2028 on such remuneration as may be recommended by the Audit Committee and approved by the Board of Directors in consultation with the Statutory Auditors of the Company.

RESOLVED FURTHER THAT the Whole Time Directors & Key Managerial Personnel of the Company be and are hereby severally authorised to do all acts, deeds, matters and things as may be considered necessary, usual or expedient to give effect to the aforesaid resolution."

SPECIAL BUSINESS

6. Re-appointment of Mr. Vaibhav Jay Desai (DIN:06673723) as Whole Time Director .

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 read together with Schedule V and the Rules framed thereunder and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (hereinafter referred to as the "Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), including any statutory modification(s) or amendment(s) thereof for the time being in force, and on the basis of recommendation of the Nomination and Remuneration Committee and Board of Directors of the Company, the consent of the Members of the Company be and is hereby accorded for re-appointment of Mr. Vaibhav Jay Desai (DIN:06673723) as Whole Time Director of the Company for a period

of 3 (Three) years effective from October 01, 2023 to September 30, 2026, on such terms and conditions on remuneration as set out in the explanatory statement to this notice.

RESOLVED FURTHER THAT the remuneration payable to Mr. Vaibhav Jay Desai, shall not exceed the overall ceiling of the total managerial remuneration as provided under section 197 and Schedule V of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

RESOLVED FURTHER THAT the Whole Time Directors & Key Managerial Personnel of the Company be and are hereby severally authorised to do all acts, deeds, matters and things as may be considered necessary, usual or expedient to give effect to the aforesaid resolution.”

7. Re-appointment of Mr. Amarendra Mohapatra (DIN: 03609521), as an Independent Director.

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

“**RESOLVED THAT** pursuant to Section 149, 150 and 152, and other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV to the said Act, applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mr. Amarendra Mohapatra (DIN: 03609521), who was appointed as an Independent Director of the Company w.e.f. July 27, 2018 at the Annual General Meeting held on September 07, 2018, for a term of five years and who holds office of the Independent Director up to July 26, 2023 and meets the criteria prescribed for independence under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations and is eligible to be re-appointed as an Independent Director of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act, be and is hereby re-appointed for a second consecutive term of three years with effect from July 27, 2023 to July 26, 2026 and shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Whole Time Directors & Key Managerial Personnel of the Company

be and are hereby severally authorised to do all acts, deeds, matters and things as may be considered necessary, usual or expedient to give effect to the aforesaid resolution.”

Registered Office:

C - 58 TTC Industrial Area,
Thane Belapur Road, Pawane,
Navi Mumbai - 400 705

By Order of the Board of
Directors

For **Sky Industries Limited**

Sd/-

Shailesh S. Shah

Managing Director

DIN: 00006154

Date: May 16, 2023

Place: Mumbai

NOTES:

1. The Ministry of Corporate Affairs, Government of India (“MCA”) has issued General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 19/2021, 21/2021, 2/2022 and 10/2022 dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021, December 14, 2021, May 5, 2022 and December 28, 2022, respectively, (“MCA Circulars”) allowing, inter-alia, conducting of AGMs through Video Conferencing / Other Audio-Visual Means (“VC / OAVM”) facility on or before September 30, 2023, in accordance with the requirements provided in paragraphs 3 and 4 of the MCA General Circular No. 20/2020. The Securities and Exchange Board of India (“SEBI”) also vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020; Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022; and Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 (“SEBI Circulars”) has provided certain relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”). In compliance with these Circulars, provisions of the Act and Listing Regulations, the 34th AGM of the Company is being held through VC / OAVM facility, without the physical presence of Members at a common venue. The deemed venue for the 34th AGM shall be the Registered Office of the Company.
2. As the AGM shall be conducted through VC / OAVM, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. Hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/ OAVM and participate there and cast their votes through e-voting.

3. Institutional / Corporate Shareholders (i.e., other than Individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF / JPG Format) of their respective Board or Governing Body Resolution / Authorization etc., authorizing their representative to attend the AGM through VC / OAVM on their behalf and to vote through remote e-Voting. The said Resolution / Authorization shall be sent to the Scrutinizer by e-mail on its registered e-mail address to fcsrcm@gmail.com with a copy marked to evoting@nsdl.co.in.
4. The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013. In the case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM through e-voting.
6. **DIVIDEND:** The dividend, as recommended by the Board of Directors, if approved at the AGM, would be paid subject to deduction of tax at source, as may be applicable, will be made within the statutory timeline as under:
 - To all Beneficial Owners in respect of shares held in dematerialised form as per the data as may be made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the close of business hours on Friday, June 23, 2023; and
 - To all Members in respect of shares held in physical form after giving effect to valid transmission or

transposition requests lodged with the Company as of the close of business hours on Friday, June 23, 2023

7. **ELECTRONIC CREDIT OF DIVIDEND:** SEBI has made it mandatory for all companies to use the bank account details furnished by the Depositories and the bank account details maintained by the Registrar and Transfer Agents for payment of dividend to Members electronically. The Company has extended the facility of electronic credit of dividend directly to the respective bank accounts of the Member(s) through the Electronic Clearing Service (ECS)/ National Electronic Clearing Service (NECS)/ National Electronic Fund Transfer (NEFT)/ Real Time Gross Settlement (RTGS)/ Direct Credit, etc.

As directed by SEBI, the Members holding shares in physical form are requested to submit duly filled in form ISR-1 inter-alia providing particulars of their bank account along-with the original cancelled cheque in the manner as provided in Note No. 18 herein below to Link Intime India Private Limited ("LIPL") to update their KYC details.

Members holding shares in demat form are requested to update their bank account details with their respective Depository Participant. The Company or LIPL cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants by the Members. Further, instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in the electronic mode.

Members are requested to ensure that their bank account details in their respective demat accounts are updated, to enable the Company to provide timely credit of dividend in their bank accounts. In case, the Company is unable to pay the dividend to any Member by the electronic mode, due to non-availability of the details of the bank account, the Company shall dispatch the dividend warrant/ demand draft to such Member by permitted mode.

8. Members are requested to send all communications relating to shares and unclaimed dividends, change of address, bank details, email address etc. to the RTA at the following address:

Link Intime India Private Limited ("LIPL"),
C-101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai – 400083.

- If the shares are held in electronic form, then change of address and change in the Bank Accounts etc; should be furnished to their respective Depository Participants.
9. In terms of the MCA Circulars and the relevant SEBI Circulars, the Company is sending the Notice calling the 34th AGM along with the Annual Report for the Financial Year ended March 31, 2023, inter-alia indicating the process and manner of remote e-voting are being sent by e-mail on the e-mail addresses of the Members as registered with Depositories/ Registrar and Share Transfer Agent. Members may also note that the Annual Report 2022-23 and the Notice convening the AGM are also available on the Company's website www.skycorp.in, websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of National Securities Depository Limited (NSDL) <https://www.evoting.nsdl.com>.
 10. All the members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on Friday, June 02, 2023, have been considered for the purpose of sending the Notice of AGM and the Annual Report.
 11. **REMOTE E-VOTING:** The remote E-voting period will be available during the following period:
 - Day, date and time of commencement of remote e-Voting: **Tuesday, June 27, 2023 at 09:00 A.M. (IST)**
 - Day, date and time of end of remote e-Voting: **Thursday, June 29, 2023 at 5:00 P.M. (IST)**
 12. The Company has fixed Friday, June 23, 2023 as the "Cut-off date" for identifying the Members who shall be eligible for participation in the AGM through VC/OAVM facility and voting either through remote e-Voting during the remote e-Voting period or through e-Voting during the AGM. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the Cut-off date shall be entitled to attend the AGM and to vote on the Resolutions as set-forth in the Notice. The voting rights of the Members, in respect of remote e-Voting or e-Voting during the AGM, shall be reckoned in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date. A person who is not a Member as on the cut-off date should treat Notice of this AGM for information purposes only.
 13. The e-Voting module shall be disabled by NSDL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system during the AGM.
 14. The Board of Directors has appointed M/s. Ramesh Chandra Mishra & Associate, Company Secretary in Practice having Membership No.: FCS 5477 and Certificate of Practice No.: 3987, as a Scrutinizer to scrutinize the voting process in a fair and transparent manner.
 15. The Shareholders, seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company from 10:00 AM, June 25, 2023 to on or before 5:00 P.M., June 28, 2023, through Email on corporate@skycorp.in. The same will be replied by/on behalf of the Company suitably.
 16. The Explanatory Statement setting out material facts, pursuant to Section 102 of the Companies Act, 2013 ("the Act") and as required under Secretarial Standard - 2 on General Meetings issued by The Institute of Company Secretaries of India and Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") in respect of Special Business under Item Nos. 6 to 7 of the accompanying Notice is annexed hereto.
 17. Statement giving details of the Directors seeking re-appointment is also annexed with this Notice pursuant to the requirement of Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meeting ("SS-2").
 18. Pursuant to SEBI Circular no .SEBI/HO/MIRSD/MIRSDPoD-1/P/ CIR/2023/37 dated March 16, 2023, issued in suppression of earlier circulars issued by SEBI bearing nos. SEBI/HO/MIRSD/MIRSD RTAMB /P/CIR/2021/655 and SEBI/HO/MIRSD/MIRSDRTAMB/P/CIR/2021/687 dated November 3, 2021 and December 14, 2021, respectively, SEBI has mandated all listed companies to record PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers of holders of physical securities. The folios wherein any one of the cited documents/details is not available on or after October 1, 2023, shall be frozen by the RTA.

The securities in the frozen folios shall be eligible:

- i) To lodge any grievance or avail of any service, only after furnishing the complete documents / details as mentioned above;
- ii) To receive any payment including dividend, interest or redemption amount (which would be only through electronic mode) only after they comply with the above stated requirements.

The forms for updation of PAN, KYC, bank details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13 and the said SEBI circular are available on our website <https://skycorp.in/downloads/> In view of the above, we urge Members holding shares in physical form to submit the required forms along with the supporting documents at the earliest.

The Company has dispatched a letter to the Members holding shares in physical form in relation to the above referred SEBI Circular. Members who hold shares in dematerialised form and wish to update their PAN, KYC, Bank details and Nomination, are requested to contact their respective DPs.

Further, Shareholders holding shares in physical form are requested to ensure that their PAN is linked to Aadhaar to avoid freezing of folios. Such frozen folios shall be referred by RTA/Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002, after December 31, 2025.

19. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; Renewal/ Exchange of securities certificate; Endorsement; Sub-division/ Splitting of securities certificate; Consolidation of securities certificates/ folios; Transmission and Transposition. Accordingly, members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company’s website at <https://skycorp.in/> It may be noted that, any service request can be processed only after the folio is KYC compliant. Members holding equity shares of the Company in physical form are requested to kindly get their equity shares converted into demat/electronic form to get inherent benefits of

dematerialisation and also considering that physical transfer of equity shares/ issuance of equity shares in physical form have been disallowed by SEBI.

20. Members holding shares in dematerialised form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Members holding shares in physical form are requested to intimate such changes to the Company’s Registrar and Share Transfer Agent, Link Intime (India) Private Limited.
21. As per the provisions of Section 72 of the Act, facility for making nomination is available to Individuals holding shares in the Company. Members holding shares in physical form who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members may download the Nomination Form from the Company’s website at <https://skycorp.in/> Members holding shares in demat mode should file their nomination with their Depository Participant for availing this facility.

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

How do I vote electronically using NSDL e-Voting system?




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

Step 1: Access to NSDL e-Voting system

A. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li data-bbox="440 327 1479 613">1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. <li data-bbox="440 623 1479 712">2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp <li data-bbox="440 743 1479 1065">3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. <li data-bbox="440 1096 1479 1162">4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div data-bbox="810 1183 1102 1338" style="text-align: center;"> <p>NSDL Mobile App is available on</p>    </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li data-bbox="440 1363 1479 1487">1. Users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. <li data-bbox="440 1518 1479 1742">2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly. <li data-bbox="440 1773 1479 1868">3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration and click on login & New System Myeasi Tab and then click on registration option.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN from a e-voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note:

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B. Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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

4. Your User ID details are given below :

Manner of holding shares i.e., Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 124088 then user ID is 124088001***

5. Password details for shareholders other than Individual shareholders are given below:

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

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

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

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

General Guidelines for shareholders

1. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. Friday, June 23, 2023, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. **1800 1020 990 and 1800 22 44 30**. In case of Individual Shareholders holding securities in

demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Friday, June 23, 2023 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to (Sarita Mote, Assistant Manager, NSDL) at evoting@nsdl.co.in.

Process for those shareholders whose Email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) by email to corporate@skycorp.in.
2. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) to corporate@skycorp.in. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e., Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

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

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, DP ID and Client ID / folio number, PAN, mobile number at corporate@skycorp.in from June 21, 2023 (10:00 a.m. IST) to June 25, 2023 (5:00 p.m. IST).
6. Please note that, only those members holding shares as on the cut-off date who have registered themselves as 'Speaker', by following the procedure as mentioned above, shall only be able to speak and express their views / raise queries, during the meeting. If a member is not registered as 'Speaker', such member attending the AGM will be placed under 'listen only' module. Due to limitations of transmission and coordination during the AGM, the Company may have to dispense with or curtail the Speaker Session, hence shareholders are encouraged to send their questions etc. in advance .
7. Members who need assistance before or during the AGM, can contact Ms. Sarita Mote, Assistant Manager, NSDL on 1800 1020 990/ 1800 224 430 or contact at evoting@nsdl.co.in.

Other Information:

1. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-Voting (votes cast during the AGM and votes cast through remote e-Voting) and make, not later than 2 Working days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in

favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.

2. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.skycorp.in and on the website of NSDL www.evoting.nsdl.com. The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed.

Registered Office:

C - 58 TTC Industrial Area,
Thane Belapur Road, Pawane,
Navi Mumbai - 400 705

Date: May 16, 2023

Place: Mumbai

By Order of the Board of Directors
For **Sky Industries Limited**

Sd/-
Shailesh S. Shah
Managing Director
DIN: 00006154

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE ACT AND REGULATION 36 OF THE SEBI LISTING REGULATIONS AND SECRETARIAL STANDARD-2 ON GENERAL MEETINGS

Item No.5

This Explanatory Statement is in terms of Regulation 36(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), though statutorily not required in terms of Section 102 of the Act.

The Members of the Company at their 29th Annual General Meeting held on September 07, 2018 appointed CGCA and Associates LLP Chartered Accountants (Firm Registration No. 123393W) formerly known as UKG & Associates, Chartered Accountants as Statutory Auditors of the Company to hold office from the conclusion of the Twenty Ninth AGM till the conclusion of the Thirty Fourth AGM of the Company to be held in the year 2023.

After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company ('Board') has, based on the recommendation of the Audit Committee, proposed the reappointment of CGCA and Associates LLP Chartered Accountants, as the Statutory Auditors of the Company, for the second consecutive term of five years from the conclusion of Thirty Fourth AGM till the conclusion of Thirty Ninth AGM of the Company to be held in the year 2028, at a remuneration as may be mutually agreed between the Board and the Statutory Auditors.

CGCA and Associates LLP, Chartered Accountants have consented to their appointment as the Statutory Auditors and have confirmed that the appointment, if made, would be within the limits specified under Section 141(3) (g) of the Act and that they are not disqualified to be appointed as the Statutory Auditors in terms of the provisions of Section 139 and 141 of the Act and the Rules framed thereunder.

CGCA and Associates LLP formerly known as UKG & Associates were established in the year 2002. It is a leading Chartered Accountancy Firm rendering comprehensive professional services for more than two decades which include audit, management consultancy, accounting services, valuation services, secretarial services etc. They believe in offering high quality professional services to their clients and building mutual benefit relationships. The Firm represents a combination of specialised skills, which

are geared to offer sound financial advice and personalized proactive services. Those associated with the firm have regular interaction with industry and other professionals which enables the firm to keep pace with contemporary developments and to meet the needs of the clients.

CGCA and Associates, LLP Chartered Accountants was paid a fee of 6.34 Lakhs for the audit of financial statements of the Company for the financial year ended March 31, 2023 plus applicable taxes and out-of-pocket expenses. The increase in the fee proposed to be paid will be based after evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc. the remuneration shall be paid as may be mutually agreed between the Board of Directors and Statutory Auditors.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out in Item No.5. The Board recommends their appointment for approval of the shareholders.

The Board of Directors recommends passing of the resolution as set out at item no. 5 of this Notice as Ordinary Resolution.

Item No. 6

The Members of the Company at their 31st Annual General Meeting held on August 28, 2020 appointed Mr. Vaibhav Desai as Whole Time Director of the Company for a period of three years with effect from October 01, 2020, liable to retire by rotation. Further, based on recommendation and approval of the Nomination and Remuneration Committee, the Board of Directors in their meeting held on May 16, 2023 approved re-appointment of Mr. Vaibhav Desai as a Whole Time Director of the Company w.e.f. October 01, 2023, for further period of 3(three) years subject to the members' approval.

Mr. Vaibhav Desai has been in the field of Manufacturing and Production operations Industry from the past three decades and has a rich experience of projects, operations, process development. He is responsible for the smooth working of Vashi Plant. He has played a pivotal role in Sky to acquire its present stature.

Further, pursuant to provision of section 197 read with provisions of Secretarial Standards – 2, the key terms of appointment are provided hereunder:

Sr. No	Particulars	Details
1.	Date of Reappointment	October 01, 2023
2.	Tenure	Three Years
3.	Remuneration:	
	a. Salary	₹ 18,00,000
	b. Commission, if any	As may be decided by NRC (in aggregate commission up to 1% of Net Profit.)
	c. ESOP, if any	As may be decided by the NRC.
4.	Other Perquisite & Benefits	As per the Company's policy

Mr. Vaibhav Desai has confirmed his eligibility to act as a Director and he is not debarred from holding office of Director of the Company, by virtue of any SEBI Order or any other such authority. He further has consented for his re-appointment as a Whole Time Director. The Board of Directors, has taken on record the various declarations and confirmations submitted by Mr. Vaibhav Desai.

The information as required to be disclosed under Section II of Part II of Schedule V to the Act, forms part of this Notice and enclosed in **Annexure A**.

Details pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard-2 on General Meetings issued by The Institute of Company Secretaries of India is attached as **Annexure- B**

The Nomination & Remuneration Committee and the Board of Directors of the Company are of the opinion that his association would be of immense benefit to the Company and it is desirable to avail his services as an Whole Time Director. The Nomination and Remuneration Committee has recommended his appointment.

Except Mr. Vaibhav Desai, none of the Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolution. The relatives of Mr. Vaibhav Desai may be deemed to be interested in the said resolution, to the extent of their respective shareholding, if any, in the Company.

The Board of Directors recommends passing of the resolution as set out at item no. 6 of this Notice as Special Resolution.

Item No. 7

The Members of the Company at their 29th Annual General Meeting held on September 07, 2018 appointed Mr. Amarendra Mohapatra as an Independent Director of the Company for a period of five years with effect from July 27, 2018, not liable to retire by rotation, whose first term began from July 27, 2018 and whose first term expires on July 26, 2023. Further, based on the recommendation and approval of the Nomination and Remuneration Committee, the Board of Directors in their meeting held on May 16, 2023, approved the re-appointment of Mr. Amarendra Mohapatra as an Independent Director of the Company w.e.f. July 26, 2023, for a further period of three years not liable to retire by rotation and subject to the members' approval.

Mr. Amarendra Mohapatra is a Qualified Company Secretary, L.L.M and M.Com (Accounting) Graduate and has a wide experience and expertise in the field of Secretarial and legal Compliance field for over a Decade. Also, being the proprietor of M/s. Amarendra Mohapatra & Associates, he brings his expertise of handling independently all legal and secretarial work, share transfer, works related to investor grievances and proficiency in mergers, takeovers and delegation of tasks. The board is confident about his ability to function and discharge his duties in an efficient and competent manner.

Considering his extensive knowledge and experience as well as his educational background, the Nomination & Remuneration Committee and the Board of Directors of the Company are of the opinion that his association would be of immense benefit to the Company and that his continued association with the Company as a Non-Executive Independent Director would be of great advantage. The Nomination and Remuneration Committee has recommended his appointment.

The Company has received a declaration from him that he meets the criteria of independence as prescribed under Section 149(6) of the Act and under Regulation 16 of the Listing Regulations. Mr. Amarendra Mohapatra has confirmed that he is neither disqualified from being appointed as a Director in terms of Section 164 of the Act nor debarred from holding office as a Director of the company, by virtue of any SEBI order or any other such authority and has given his consent to act as a Director. The Board is of the opinion that he fulfils the conditions specified in the Act and the Rules made thereunder and is independent of the management.

Details pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard-2 on General Meetings issued by The Institute of Company Secretaries of India are attached as **Annexure B**.

A copy of the letter of appointment proposed to be issued to Mr. Amarendra Mohapatra as an Independent Director, setting out the terms and conditions thereof, is available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on all working days up to the date of the Annual General Meeting.

Except for Mr. Amarendra Mohapatra, none of the Directors or Key Managerial Personnel of the Company or their relatives is in any way concerned or interested, financially or otherwise, in the said resolution. The relatives of Mr.

Amarendra Mohapatra may be deemed to be interested in the said resolution, to the extent of their respective shareholdings, if any, in the company.

The Board of Directors recommends passing the resolution as set out at Item No. 7 of this Notice as a Special Resolution.

Registered Office: By Order of the Board of Directors
C - 58 TTC Industrial Area, For **Sky Industries Limited**
Thane Belapur Road, Pawane,
Navi Mumbai - 400 705

Date: May 16, 2023
Place: Mumbai

Sd/-
Shailesh S. Shah
Managing Director
DIN: 00006154

STATEMENT PURSUANT TO SECTION II OF PART II OF SCHEDULE V TO THE COMPANIES ACT, 2013 IN RESPECT OF ITEM NO 6 OF THE NOTICE

I. General Information

1. Nature of industry: The Company is engaged in the business of Manufacturing of Narrow Woven Fabrics.
2. Date or expected date of commencement of commercial production: July 18, 1989.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not applicable
4. Financial performance based on given indicators:

Particulars	(Rs. In lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Income from Operation & other income	7523.58	7110.46
Profit/(Loss) before tax	233.67	656.85
Profit/(Loss) after tax	176.82	487.20

5. Foreign investments or collaborations, if any: NIL

I. INFORMATION ABOUT THE APPOINTEE:**1. Mr. Vaibhav Desai-Whole Time Director****a. Background Details:**

Mr. Vaibhav Desai is a B.E. Graduate with over three decades of experience focused in the field of Manufacturing and production. He was appointed as a Whole Time Director in the Company since 2013. He has played a pivotal role in Sky to acquire its present stature.

b. Past remuneration:

Financial Year	Amount (in Rs.)
2021-22	18,00,000
2022-23	18,00,000

c. Recognition or awards: NA**d. Job profile and his suitability:**

Mr. Vaibhav Desai has been in the field of Manufacturing and Production operations Industry from the past three decades and has a rich experience of projects, operations, process development. He is responsible for the smooth working of Vashi Plant.

e. Remuneration proposed:

Details on proposed remuneration have been stated in the Explanatory Statement to Item No. 6 of this Notice.

f. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):

The remuneration as proposed is comparable to that drawn by peers in similar capacity in the industry and is commensurate with the size and nature of the business of the Company and the responsibilities shouldered by him.

g. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:

Besides the remuneration paid/payable, Vaibhav Desai does not have any pecuniary relationship with the Company. He holds 15,903 Equity Shares in the share capital of the Company.

II. OTHER INFORMATION:

1. Reasons of loss or inadequate profits:

The company is in growth phase, also in accessory industry. Consequently, the industry sizes and the scale of operations are not very large.

2. Steps taken or proposed to be taken for improvement:

The Company is embarking upon expansion into related products and also going for backward integration which will improve profitability and during the current financial year, Company has established good track records on performance and profits.

3. Expected increase in productivity and profits in measurable terms:

The Company has taken various initiatives to improve its market share and financial performance. It has been aggressively pursuing and implementing its strategies to improve financial performance.

Registered Office:

C - 58 TTC Industrial Area,
Thane Belapur Road, Pawane,
Navi Mumbai - 400 705

Date: May 16, 2023

Place: Mumbai

By Order of the Board of Directors
For **Sky Industries Limited**

Sd/-
Shailesh S. Shah
Managing Director
DIN: 00006154

ANNEXURE B

DETAILS OF DIRECTORS RETIRING BY ROTATION AND SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

[Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standards-2 on General Meetings]

Name of the Director	Maikal Raorani	Sharad S. Shah	Vaibhav Desai	Amarendra Mohapatra
DIN	00037831	00006114	06673723	03609521
Date of Birth	15/06/1973	02/12/1954	22/12/1971	22/12/1985
Age	50 Years	68 Years	52 Years	38 Years
Date of first appointment on the Board	06/12/2017	12/10/1993	27/09/2013	27/07/2018
Qualification	B.E. & MBA	Graduate in Commerce	Bachelors' of Engineering	Company Secretary, L.L.M., M. Com (Accounting)
Experience and Expertise	<p>He has more than two decades of experience and expertise in the field of Production, Marketing, Finance, Commercial and Legal matters.</p> <p>His experience has helped the Company to emerge as one of the leading Technical Textiles Company in the Country.</p>	<p>He has been associated with the Company since its inception. He is having vast experience of more than three decades in business administration.</p> <p>He has been heading the elastic division right from initial stages of the Company.</p> <p>His acumen in administration matters is an asset to the Company.</p>	<p>He has been in the field of Manufacturing and Production operations Industry from the past three decades and has a rich experience of projects, operations, process development.</p> <p>He is responsible for the smooth working of Vashi Plant. He has played a pivotal role in Sky to acquire its present stature.</p>	<p>He has a wide experience and expertise in the field of Secretarial and legal Compliance field for over a Decade. Also, being the proprietor of M/s. Amarendra Mohapatra & Associates, he brings his expertise of handling independently all legal and secretarial work, share transfer, works related to investor grievances and proficiency in mergers, takeovers and delegation of tasks.</p>
No. of Meetings of the Board attended during the year	6 of 6	6 of 6	6 of 6	6 of 6
List of Directorship of other Boards	Cricketnco Apparels Private Limited	-	-	<ol style="list-style-type: none"> 1) SK Stabel Industries Private Limited 2) Macro Dealcomm Private Limited 3) Harshali Multitrade Private Limited 4) Sumita Management Constancy Private Limited 5) Red Twigs Consultancy Private Limited

Name of the Director	Maikal Raorani	Sharad S. Shah	Vaibhav Desai	Amarendra Mohapatra
The Listed entity from which Director has resigned in last three years	-	-	-	-
List of Membership / Chairmanship of Committees of other Companies	-	-	-	-
Shareholding in Company	42,300 Shares	11,62,043 Shares	15,903 Shares	-
Terms and Conditions of re-appointment	As per the Nomination & Remuneration Policy of the Company as displayed on the Company's website i.e., www.skycorp.in			
Details of remuneration last drawn	Rs. 30 Lakhs	Rs. 36 Lakhs	Rs. 18 Lakhs	Rs. 60,000 /- (sitting fees)
Skills & capabilities required for the role and the manner in which the proposed person meets such requirement	Finance and Banking, Sales & Marketing, Business Development, Human Resource & Operations	Leadership, Business Development, Sales & Marketing	Production, Legal & Compliance, Human Resource & Operations	Legal & Compliance, Finance and Banking, Leadership

Note: For other details such as number of meetings of the board attended during the year and remuneration drawn in respect of above Directors, please refer to the corporate governance report which is a part of this Annual Report.

Registered Office:

C - 58 TTC Industrial Area,
Thane Belapur Road, Pawane,
Navi Mumbai - 400 705

Date: May 16, 2023

Place: Mumbai

By Order of the Board of Directors
For **Sky Industries Limited**

Sd/-
Shailesh S. Shah
Managing Director
DIN: 00006154



MANAGEMENT DISCUSSION & ANALYSIS REPORT



MANAGEMENT DISCUSSION AND ANALYSIS

Sky Industries Limited ("Company"), established in 1989, is one of the leading pioneers in the fields of technical textiles. A Global Player, your Company provides Innovative and customized solutions to the customers for their fastening requirements. The Industry caters to many large Industries like Footwear, Orthopaedic, PPE, Garment, Sportswear, Packaging, Aviation, Automobile, and Defence. Your Company has streamlined its manufacturing units at Vashi and Bhiwandi both in the State of Maharashtra, India.

The Company not only serves the domestic market but exports its products to international market as well. The Company has a strong presence in key markets, such as USA, Europe, Turkey, Bangladesh etc. Presently over 13% of Companies revenue is derived from exports to various countries across the globe.

INDUSTRY STRUCTURE AND DEVELOPMENTS

Global Economic Outlook:

Amid continuing uncertainty for policy-makers, businesses and households as persistent headwinds buffet the global economy, the global economy is in uncertain territory. While there are signs of nascent optimism, the banking disruption of March 2023 has caused tremors in the global outlook. The expectations around a potential global recession in 2023 are a case in point: most experts expect a recession is likely, but the same proportion considers it unlikely. Regionally, there has been a notable strengthening of expectations for most economies since last quarter. Perhaps unsurprisingly, the most buoyant economic activity is expected in Asia, with China's reopening projected to bolster activity across the continent. For China itself, chief economists are near unanimous in expecting a significant rebound this year. At the other end of the spectrum, one expects weak or very weak growth this year in Europe, while for the US, views are divergent as the country's growth prospects are clouded by heightened uncertainty around financial stability and the pace and extent of monetary tightening.

Headline rates have begun to ease, but core inflation is stickier than anticipated and shows signs of picking up. The pressure on many households remains acute, and the cost of living to stay at crisis levels in numerous countries throughout 2023. The recent banking instability has complicated efforts to deal with runaway prices. The central banks now face a trade-off between managing inflation and maintaining financial sector stability. A similar proportion expect central banks to struggle to

reach their inflation target. The effects include a squeeze on the flow of credit to businesses and the prospect of significant disruption in property markets in particular. Turning to broader structural shifts in the global economy, one can expect assertive industrial policy to become increasingly widespread over the next three years. Needless to say, it will deepen geo-economic tensions (91%), stifle competition (70%) and lead to a problematic increase in sovereign debt levels (68%). Industrial policy is also expected to contribute to ongoing changes in the geography and composition of the global economy.

Indian Economy Outlook:

India's growth continues to be resilient despite some signs of moderation in growth. World bank in its economic outlook report notes that although significant challenges remain in the global environment, India was one of the fastest growing economies in the world. The overall growth remains robust and is estimated to be 6.9 percent for the full year with real GDP growing 7.7 percent year-on-year during the first three quarters of fiscal year 2022-23. There were some signs of moderation in the second half of FY 22-23. Growth was underpinned by strong investment activity bolstered by the government's capex push and buoyant private consumption, particularly among higher income earners. Inflation remained high, averaging around 6.7 percent in FY22-23 but the current-account deficit narrowed in Q3 on the back of strong growth in service exports and easing global commodity prices.

The World Bank has revised its FY 23-24 GDP forecast to 6.3 percent from 6.6 percent (December 2022). Growth is expected to be constrained by slower consumption growth and challenging external conditions. Rising borrowing costs and slower income growth will weigh on private consumption growth, and government consumption is projected to grow at a slower pace due to the withdrawal of pandemic-related fiscal support measures.

Notwithstanding external pressures, "India's service exports have continued to increase, and the current-account deficit is narrowing."

Although headline inflation is elevated, it is projected to decline to an average of 5.2 percent in FY23-24, amid easing global commodity prices and some moderation in domestic demand. The Reserve Bank of India's has withdrawn accommodative measures to rein in inflation by hiking the policy interest rate. India's financial sector also remains strong, buoyed by improvements in asset quality and robust private-sector credit growth.

The central government is likely to meet its fiscal deficit target of 5.9 percent of GDP in FY23-24 and combined with consolidation in state government deficits, the general government deficit is also projected to decline. As a result, the debt-to-GDP ratio is projected to stabilize. On the external front, the current account deficit is projected to narrow to 2.1 percent of GDP from an estimated 3 percent in FY22-23 on the back of robust service exports and a narrowing merchandise trade deficit.

However, recent developments from Europe and US are expected to have some spill over effects in the shorter term.

COMPANY REVIEW

The Company consolidated its footprint in the export markets of Europe and USA. Apart from the same, the domestic front showed a sublime growth of about 7% over previous financial year. The Company also clocked revenues of Rs. 74.92 Crore in year 2022-23 vis-a-vis Rs. 70.45 Crore in previous year. The Company also utilized its capacity in a better way.

The EBIDTA showed a downward trend owing to increase in Freight Costs, Exchange Rate and higher input costs during the year 22-23.

OPPORTUNITIES AND THREATS

Opportunities

- With India's urbanisation, demand for footwear, sportswear, orthopaedic belts, medical equipment's is rising.
- Following the outbreak of the COVID-19 pandemic, increasing awareness of health, safety and comfort in the medical and orthopaedic industry.
- The potential factor that it is an emerging industry in India and many Multinational Companies are interested in this field to work with Indian Companies.
- The Company would be looking to expand its facilities in next 2/3 years and capitalise on the trend by focussing on the exports and value-added products.
- The Indian government has permitted 100 per cent FDI in the Textile sector through automatic route.

Threats

- The threat of cheaper imports influences local manufacturers and domestic output.
- The technical textiles industry is continually altering in response to the needs of end-users, making it difficult for businesses to retain consumers.

SEGMENT-WISE PERFORMANCE

The Company has one segment of activity namely "Fastening solutions under the broader category of Narrow Woven Fabrics". Hence, Accounting Standard on Segment Reporting (AS - 17) issued by The Institute of Chartered Accountant of India does not apply.

The Company has performed well with sustained margins notwithstanding rise in input costs. The Company has absorbed cost increases and yet improved margins with purchasing efficiencies, improvement in manufacturing yield/usage and overall expenditure control.

OUTLOOK

India's Gross Domestic Product (GDP) is expected to grow at 6% in the financial year 2024 as compared to the previous year. With continued volatility in crude oil prices, supply chain disruptions, a global recession, and high energy prices, it is anticipated that these conditions will last longer in 2023-2024.

We are making significant progress in our operations around digitisation and sustainability by adopting new and innovative technologies. Our team continues to adopt a lean manufacturing strategy on a long-term horizon, focusing continuously on building value-added products. The emphasis on innovation continues to drive our 'Zero Defect Strategies' with attention on best-in-class productivity.

The Company has laid out its new vision to be the future of narrow woven fabrics. This entails exploring emerging opportunities, while continuing to excel in the core segments the Company operates in. Also, the Company has increased its focus on customised and value-added offerings which are expected to bolster Company's position vis a vis its peers.

Key Strategic Highlights:

- Growth in the Narrow-Woven Fabrics Market
- New opportunities through collaboration/Marketing Arrangements
- New products, business models, etc.
- Margin enhancement
- Innovation and sustainability
- Investment opportunities

As a Company, Sky Industries Limited is optimistic about the future as well as its growth path. The Company is confident in its ability to grow its business organically enhancing the production by adopting new technologies.

The Company constantly looks at margin improvement and risk mitigation initiatives through specific projects and global support.

RISKS AND CONCERNS




Risk is an integral and unavoidable component of all businesses. Sky Industries Limited is committed to manage its risk in a proactive manner. Though risks cannot be completely eliminated, an effective risk management plan ensures that risks are reduced, avoided, retained or shared.






The Company faces various risks which are incidental to the Company's operations in the various product lines viz. Hook and Loop Tape Fasteners and Velvet/ Webbing tapes like new competitor setting up business

or expanding of the existing players owing to the market available. The Company functions in a dynamic business environment and its operations may be exposed to varied risks. To mitigate its impact, we have a comprehensive risk management framework in place that covers identification, assessment, development of mitigation strategy, action plan implementation, monitoring, reporting to and updating the Board and Audit Committee.

The Board of Directors, Audit Committee is in charge of keeping an eye on Risks and evaluating the effectiveness of risk management strategy or process. The Company has very well versed internal financial control structure. These controls were assessed throughout the year under review and no material weaknesses were observed in their design or operations.

Sky Industries Limited Principal Risks And Their Mitigation:

KEY RISK	DETAILS	MITIGATION
Liquidity Risk 	Stock or Debtors increasing to an extent not supported by current working capital	<ul style="list-style-type: none"> Company maintains tight control over debtors Company also maintains a liquidity in form of investments in mutual funds etc.
Financial Risk 	<ul style="list-style-type: none"> Fluctuations in currency may impact the cost of production and sales realisation, owing to our import and export presence Higher interest cost putting pressure on margins 	<ul style="list-style-type: none"> Exports act as a natural hedge to the currency fluctuations to a great extent Looking to reduce the bank borrowings to mitigate the risks of rising interest rates.
Commodity Price Risk 	Increase/frequent changes in raw material prices may impact profitability resulting in lower margins	The Company has the ability to pass on increased costs to its customers as it is in the accessories business.

KEY RISK	DETAILS	MITIGATION
<p>Competitive Intensity</p> 	<p>Increase in Competition amongst domestic players.</p>	<p>Move to more customised and value added offerings.</p>
<p>Regulatory Risk</p> 	<p>Changes in international and domestic laws, rules, policies, tax regulations, technical standards and trade policies</p>	<p>Though exposed to some extent to these risks, Company tends to evaluate various scenarios to over of such risks if any.</p>
<p>Human Resources Risk</p> 	<p>Non-availability of competent workforce, high attrition coupled with retention challenge</p>	<ul style="list-style-type: none"> • Company is looking to set up its own training centres for continuous flow of competent workforce. • Company is looking to offer schemes like Variable Pay, ESOPs, etc to attract talent across various functions of the organisation.
<p>Information Technology Risk</p> 	<p>Insufficient cyber-security measures leading to data privacy breach, loss of records, or other event due to a hack/virus, stolen/lost device, phishing attacks, among others.</p>	<p>Strong Anti-virus and firewall along-with internal controls established to prevent ransom wares etc. and systems for timely backup of data etc. has been set up.</p>
<p>Industrial safety, employee health and safety risk</p> 	<p>Diversified manufacturing facilities at various locations and labour-intensive nature of work comprise health risks for the workforce due to reasons like machinery breakdown, human negligence, among others.</p>	<p>Necessary health check-ups of workmen, safety awareness etc. being undertaken</p>

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has a robust and reliable system of internal controls commensurate with the nature of our business, and the scale and complexity of our operations. The Company has adopted policies and procedures covering all financial, operating and compliance functions. These controls have been designed to provide a reasonable assurance over:



The current system of Internal Financial Controls (IFC) is aligned with the requirement of the Companies Act 2013. The Company has an Internal Audit function which functionally reports to the Chairperson of the Audit Committee, thereby maintaining its objectivity. The Internal Audit function is supported by a dedicated internal audit team and resources from external audit firms. The annual internal audit plan is carved out from a comprehensively defined Audit Universe that encompasses all businesses, functions, risks, compliance requirements and maturity of controls.

The Audit Committee of the Board is presented with key control issues and the actions taken on issues highlighted. The Audit Committee deliberates with the management, considers the systems as laid down and meets the internal auditors and statutory auditor to ascertain their views on the internal control framework. The Company recognises the fact that any internal control framework would have some inherent limitations and hence has inculcated a process of periodic audits and reviews to ensure that such systems and controls are updated at regular intervals.

DISCUSSION ON FINANCIAL PERFORMANCE

1. The summary of the operating performance is given below:

(₹ In Lakhs)

Particulars	FY 2022-23	FY 2021-22	% of Change
Revenue from Operation	7492.09	7024.54	-6.66
Operating Profit (EBITDA)	563.12	972.14	42.07
Finance Cost	159.64	126.29	-26.40
Depreciation Cost	169.81	189	10.15
Profit Before Tax	233.67	656.85	64.42
Profit After Tax	176.82	487.2	63.70

Your Company's Total Income during the year under review was ₹ 7523.58 Lakhs as compared to ₹ 7110.46 Lakhs in the previous year. Profit before Tax for the year 2022-23 was ₹ 233.67 Lakhs as against ₹ 656.85 Lakhs in the previous year. Profit after Tax for the year 2022-23 stood at ₹ 176.82 Lakhs as against ₹ 487.20 Lakhs in the previous year. The Company's Hook and Loop Tape fasteners is a major division, contributes to approximately 65% of the overall revenue.

2. Key financial ratios of the Company showing financial performance are as under:

Ratios	FY 2022-23	FY 2021-22	% of Change
Debtors Turnover (Days)	60	64	-6%
Inventory Turnover (Days)	106	81	31%
Interest Coverage Ratio	1.46:1	7.7:1	-527%
Current Ratio	2.05:1	1.91:1	7.47%
Debt Equity Ratio	0.35:1	0.42:1	-17.21%
Operating Profit Margin (%)	3.11%	13.70%	-440%
Net Profit Margin (%)	2.36%	6.92%	-293%
Return on Net worth (%)	4.97%	14.82%	-298%

HUMAN RESOURCE MANAGEMENT

Human capital is pivotal for the growth and success of the organisation. Your Company strives to foster a safe, congenial, and inclusive work environment and promotes trust, transparency, and a sense of teamwork through comprehensive and well-documented HR policies.

The key areas for driving Human Resource initiatives at Company are as follows:

The Company ensures strict adherence to its internal codes and has clearly defined zero-tolerance policy towards discrimination of any kind. The Company’s structured talent management framework leads to cohesive talent actions across all levels, and ably supports the process of talent acquisition, onboarding, learning and development, performance management and succession planning. Periodic, regular performance conversations and real-time feedback form the backbone of the performance management process. Personnel capability building sessions are conducted regularly across levels, engaging talent across the board - right from trainees to senior leadership.

The Company’s culture is centred on the five core pillars, which are as:



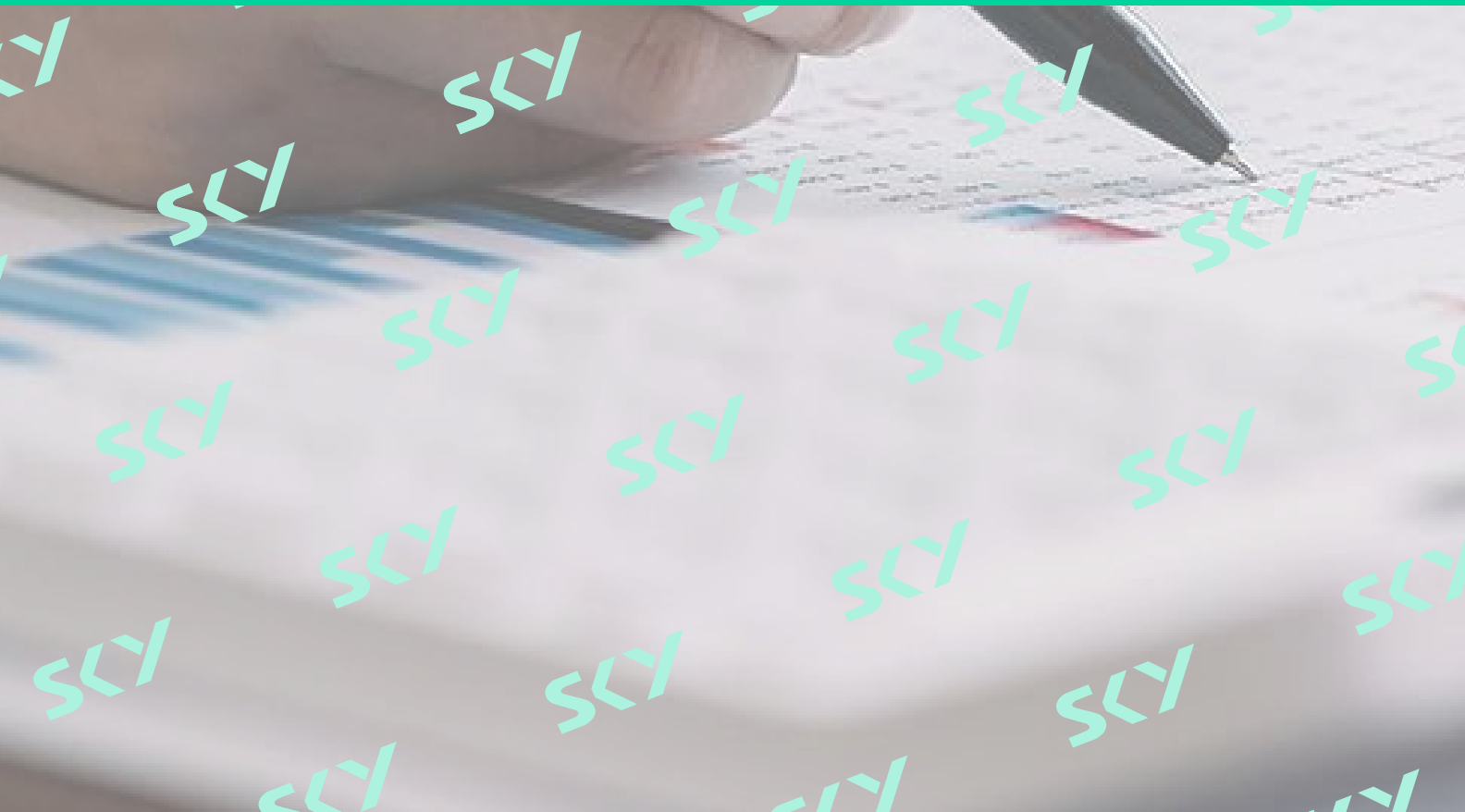
The company acknowledges the efforts of its people and takes great pride in the dedication, sincerity and hard work of its workforce. At the end of FY 22-23 we had a total of 70 Permanent employees and 193 employees were hired on a contractual basis working in production sites and administrative offices.

CAUTIONARY STATEMENT

Certain statements made in the Management Discussion and Analysis Report relating to the Company’s objectives, projections, outlook, expectations, estimates and others may constitute ‘forward looking statements’ within the meaning of applicable laws and regulations. Actual results may differ from such expectations whether expressed or implied. Several factors could make significant difference to your Company’s Operations. These include climatic and economic conditions affecting demand and supply, government regulations, taxation, and natural calamities over which the Company does not have any direct control.



DIRECTOR'S REPORT



DIRECTORS' REPORT

To
The Members
Sky Industries Limited

Your Board of Directors takes pleasure in presenting this Thirty Fourth (34th) Annual Report covering the highlights of the finances, business, and operations of your Company along with the Audited Financial Statements and Report of Auditors thereon for the Financial Year ended March 31, 2023.

COMPANY'S FINANCIAL HIGHLIGHTS

The highlights of the Company's financial results for the Financial Year 2022-23 are as under:

(₹ in Lakhs)

PARTICULARS	FY 2022-23	FY 2021-22
Revenue from Operations	7492.09	7024.54
Other Income	31.48	85.93
Total Income	7523.58	7110.46
Depreciation & Amortisation	169.81	189
Profit before Tax	233.67	656.85
Total Tax Expenses	56.86	169.65
Net Profit	176.82	487.20
Earnings Per Share (in ₹)		
Basic	2.27	7.70
Diluted	2.26	6.28

OVERVIEW:

Your Company's Total Income during the year under review was ₹ 7523.58 Lakhs as compared to Rs. 7110.46 Lakhs in the previous year. Profit before Tax for the year 2022-23 was ₹ 233.67 Lakhs as against Rs. 656.85 Lakhs in the previous year. Profit after Tax for the year 2022-23 stood at Rs. 176.82 Lakhs as against Rs. 487.20 Lakhs in the previous year. Mainly Company's Hook and Loop Tape fasteners is a major division, contributes to approximately 70% of the overall revenue.

The Financial Statements for the year ended March 31, 2023 have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act. There are no material departures from the prescribed norms stipulated by the accounting standards in preparation of the annual accounts.

Management evaluates all recently issued or revised accounting standards on an on-going concern basis. The Company discloses Financial Results on a quarterly basis,

which are subject to Limited Review and publishes Audited Financial Results on an annual basis.

TRANSFER TO RESERVES

During the year under review, the Company has not transferred any amount to the 'General Reserve' and entire amount of profit for the year forms part of the 'Retained Earnings.'

DIVIDEND

The Company has a good track record of rewarding its Shareholders with a generous dividend pay-out. In view of the strong operational and financial performance during the year under review, the Board of Directors is pleased to recommend a dividend of Re. 1 per Equity Share of Rs. 10/- each (i.e., 10%) for the Financial Year ended on March 31, 2023 subject to the approval of Members in the ensuing Annual General Meeting of the Company.

The Company continues with its task to build businesses with long-term goals based on its intrinsic strengths in terms of its powerful brands, quality manufacturing prowess, distribution strengths and customer relationships.

Increase in Issued, Subscribed and Paid-Up Equity Share Capital

During the year under review, the Company on April 30, 2022 has issued & allotted 10,10,000 Equity Shares upon the Conversion of Warrants into Equity Shares of face value of Rs. 10/- each at a price of Rs. 30/- to various promoters and non-promoter group of the Company.

The change in paid-up share capital during the year was as under:

Particulars	No. of shares allotted	Cumulative Paid-up share Capital
Capital at the beginning of the year, i.e., as on April 01, 2022	-	68,49,841
Allotment of 10, 10, 000 Equity Shares at a price of Rs 30 each on April 30, 2022 upon Conversion of Warrants to both Promoter and Non- Promoter Group of Company	10,10,000	78,59,841
Capital at the end of the year, i.e., as on March 31, 2023	-	78,59,841

There were no instances where the Company failed to implement any corporate action within the specified time limit.

The Company on May 16, 2023 allotted 30,700 Equity Shares to the eligible employees of the Company pursuant to the Scheme of Sky Industries ESOP 2018, Pursuant to which the issued, subscribed and paid up share capital of the Company stands increased from 78,59,841 to 78,90,541.

Details of utilization of funds raised through preferential allotment

In accordance with the Resolution passed by the Members of the Company through Postal Ballot on January 09, 2021 for issuance of 20,00,000 Warrants convertible into Equity Shares of having face value of Rs. 10 (Rupees Ten only) each at a price of Rs. 30 (Rupees Thirty only) each aggregating to an amount of Rs. 6,00,00,000 (Rupees Six Crore only), on preferential basis to various Promoter and Non-Promoter Group were utilized for Repayment of Debt,

meeting future funding requirements; and other general corporate purposes.

The proceeds raised were accordingly utilized towards the objects stated in the notice of the Postal Ballot. The uses/application of proceeds/funds raised have been disclosed to the Audit Committee.

CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility is applicable to your Company from Financial Year 2022-2023. The Company has duly adopted Corporate Social Responsibility Policy and the same has been displayed on the Website of the Company- <https://skycorp.in/wp-content/uploads/2023/03/CSR-Policy.pdf>

The Company's CSR initiatives and activities are aligned to the requirements of Section 135 of the Companies Act, 2013. The brief outline of the CSR policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in Annexure-A of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

Your Company through trust has been doing work in the following sectors:

- Education & Skill Development
- Childcare & Healthcare Facilities
- Social Welfare

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

Human resources have always been of supreme importance at Sky as they are the growth-drivers and the mainstay of the organization. The prominence of the people of the organization stems from the belief that they are the authors of the Company's success story. Integral to the Company's approach, Human resource development is its distinctive strategy. The strategy ensures developing and nurturing a team of competent, passionate and inspiring leaders who would turn to be the scribes of a promising future's slate. Thus, building a future ready organisation through true to type learning, innovation and world-class execution. The Company believes that the alignment of all employees to a shared vision and purpose is crucial for succeeding in the marketplace. Further it recognises the mutuality of interest with key stakeholders and is committed to building harmonious employee relations.

Sky is confident that its employees will relentlessly strive to

meet the growth agenda, deliver world class performance and innovate newer things. Thus they will uphold human dignity, foster team spirit and discharge their role as 'trustees' of all stakeholders with true faith and allegiance.

The Company cares for its people, customers, suppliers, and community who are reflected in the Company's policy, programs and development efforts. As of March 31, 2023, the Company had 70 permanent employees at its manufacturing plants and administrative office.

NOMINATION AND REMUNERATION POLICY

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Executive & Non-Executive Directors, Key Managerial Personnel, Senior Management and other employees of the Company.

The policy outlines the criteria for determining qualifications, positive attributes, relevant experience and Independence of Director and criteria for appointment of Key Managerial Personnel / Senior Management and performance evaluation which are considered by the Nomination and Remuneration Committee and the Board of Directors while making selection of the candidates.

The Policy also lays down the guiding principles, philosophy and the basis for payment of remuneration to Executive and Non-executive Directors (by way of sitting fees and commission), Key Managerial Personnel, Senior Management and other employees.

The Nomination and Remuneration Policy of the Company is available on the website of the Company and can be accessed through the web link at www.skycorp.in.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY, OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of this Report.

INTERNAL FINANCIAL CONTROL SYSTEMS, THEIR ADEQUACY AND RISK MANAGEMENT

The establishment of an effective corporate governance and internal control system is essential for sustainable growth and long-term improvements in corporate value, and

accordingly, Sky Industries Limited works to strengthen such structures. We believe that a strong internal control framework is an important pillar of Corporate Governance.

Your Company has put in place adequate internal financial controls commensurate with the size and complexity of its operations. The internal controls ensure the reliability of data and financial information to maintain accountability of assets.

The Company has an effective internal control and risk-mitigation system, which is constantly assessed and strengthened with new/revised standard operating procedures. These controls ensure safeguarding of assets, reduction and detection of fraud and error, adequacy and completeness of the accounting records and timely preparation of reliable financial information. Critical functions are rigorously reviewed and the reports are shared with the Management for timely corrective actions, if any. Business risks and mitigation plans are reviewed and the internal audit processes include evaluation of all critical and high-risk areas.

The internal and operational audit is entrusted to S. A. Porwal & Associates. The main focus of internal audit is to review business risks, test and review controls, assess business processes besides benchmarking controls with best practices in the industry. Significant audit observations and follow-up actions thereon are reported to the Audit Committee. For ensuring independence of audits, internal auditors report directly to the Audit Committee.

RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties for the year under review were on arm's length basis and thus a disclosure in Form AOC-2 in terms of Section 134 of the Act is not required. Further, there are no material related party transactions during the year under review with the Promoters, Directors or Key Managerial Personnel. All related party transactions are mentioned in the notes to the accounts.

All Related Party Transactions are placed before the Audit Committee for approval. Omnibus approval was obtained on a yearly basis for transactions which are of repetitive nature. Transactions entered into pursuant to omnibus approval are verified by the Audit Committee and a statement giving details of all Related Party Transactions are placed before the Audit Committee and the Board for review and approval on a quarterly basis.

The Policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the website of the Company and can be seen at the link www.skycorp.in. None of the Directors has any pecuniary relationship or transactions vis-à-vis the Company except remuneration, ESOP and sitting fees.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act are given in the notes to Financial Statements forming part of the Annual Report.

DEPOSITS

The Company has not accepted any deposits, within the meaning of Section 73 of the Act, read with the Companies (Acceptance of Deposits) Rules, 2014.

PERFORMANCE OF SUBSIDIARY COMPANIES

The Company has no subsidiaries, therefore not required to provide detail of performance of subsidiary Company. Hence, AOC -1 is not required to be attached to the said report.

CORPORATE GOVERNANCE

Company is committed to maintain high standards of Corporate Governance to achieve business excellence and strengthen the confidence of all stakeholders. The Company constantly endeavours to create and sustain long-term value for all its stakeholders including, but not limited to, shareholders, employees, customers, vendors, suppliers, investors and the wider communities that we serve.

Your Company has complied with the mandatory Corporate Governance requirements stipulated under the Listing Regulations. A separate Report on Corporate Governance is annexed hereto forming part of this report together with the requisite certificate from Ramesh Chandra Mishra & Associates, Practicing Company Secretary as stipulated under the Listing Regulations.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

Composition:

The Company's Board of Directors consists of distinguished individuals with proven competence and integrity. Besides

strong financial acumen, strategic astuteness, experience and leadership qualities, they have a significant degree of dedication to the Company and invest adequate time to Meetings and preparation. In terms of requirement of Listing Regulations, 2015, the Board has defined fundamentals, skills, expertise and competencies of the Directors in the context of the Company's business for effective functioning and how the current Board of Directors is fulfilling the required skills and competences. As of March 31, 2023, the Board Comprises of Eight (8) Directors, out of which four (4) are Executive Directors and four (4) are Non-Executive Independent Directors (including one Independent Woman Director).

Appointment/ Re-appointment:

During the Financial Year 2022-2023, Company had appointed Mr. Nitin Arvind Oza (DIN: 03198502) as Non-Executive Independent Director w.e.f. October 22, 2022 for a period of Five years.

The Board of Directors at its meeting held on May 16 2023, subject to approval of shareholders, Approved the appointment of Mr. Vaibhav Jay Desai (DIN: 06673723) as a Whole Time Director of the Company for the period of Three (3) years commencing from October 01, 2023 at 34th Annual General Meeting scheduled to be held on June 30, 2023. Resolution seeking shareholders' approval for his re-appointment along with other required details are provided as an Annexure to Notice of the Annual General Meeting

Present Term of Mr. Amarendra Mohapatra (DIN: 03609521), Independent Director of the Company shall expire on July 26, 2023, your Directors in its meeting held on May 16, 2023 on the recommendation of Nomination and remuneration committee have considered his re-appointment for 2nd Term for the period of Three (3) years with effect from July 27, 2023. Your Directors recommend for your approval by way of Special Resolution at ensuing Annual General Meeting (AGM).

Directors retiring by rotation:

In accordance with the provisions of Section 152 of the Act and the Company's Articles of Association, Mr. Sharad Shah (DIN: 00006114), Whole Time Director & Mr. Maikal Raorani (DIN: 00037831), Whole Time Director and Chief Financial Officer retires by rotation at the forthcoming Annual General Meeting ("AGM") and being eligible, has sought re-appointment. Based on recommendation of the Nomination and Remuneration Committee, the Board of Directors has recommended their re-appointment and the

matter is being placed for seeking approval of members at the ensuing Annual General Meeting of the Company.

Pursuant to Regulation 36 of the Listing Regulations read with Secretarial Standard-2 on General Meetings, necessary details of Mr. Sharad Shah and Mr. Maikal Raorani, are provided as an Annexure to the Notice of the Annual General Meeting.

None of the Directors of the Company are disqualified for being appointed as Directors as specified in Section 164(2) of the Companies Act, 2013 and Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Key Managerial Personnel

Mr. Swapnil Soni (Membership No.: A64139), Company Secretary and Compliance Officer resigned from the Company w.e.f. March 13, 2023 to pursue an alternative career opportunity. The Board of Directors based on the recommendations of the Nomination & Remuneration Committee at its meeting held on May 16th, 2023 appointed Ms. Priyal Ruparelia (Membership No.: A71040) as Company Secretary and Compliance Officer of the Company w.e.f. May 16, 2023.

Declarations by Independent Directors

All Independent Directors of the Company have given declarations that they meet the conditions of independence as laid down under Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations. In the opinion of the Board, the Independent Directors fulfill the said conditions of independence. The Independent Directors have also confirmed that they have complied with the Company's Code of Business Conduct & Ethics.

The Ministry of Corporate Affairs ("MCA") vide Notification Number G.S.R. 804(E) dated October 22, 2019 and effective from December 01, 2019 has introduced the provision relating to inclusion of names of Independent Directors in the Data Bank maintained by Indian Institute of Corporate Affairs (IICA). All Independent Directors of the Company are registered with IICA.

In the opinion of the Board possess the requisite integrity, experience, expertise, proficiency and qualifications.

Familiarization Programmes

The Company has a Familiarization programme for its Independent Director which is imparted at the time of

appointment of an Independent Director on Board as well as annually. During the year, the Independent Directors of the Company were familiarized and the details of familiarization programmes imparted to them are placed on the website of the Company and the web link thereto is <https://skycorp.in/wp-content/uploads/2023/03/9.-Independent-Director-Familiarization-Programme.pdf>

NUMBER OF MEETINGS OF THE BOARD

The Board meets at regular intervals to discuss and decide on business policies and strategies. The Board exhibits strong operational oversight with regular business presentations at Meetings. The Board Meetings are pre-scheduled to help them plan their schedules and ensure meaningful participation. Only in the case of special and urgent business, should the need arise, of the Board's approval taken by passing resolutions through circulation, as permitted by law, which are confirmed in the subsequent Board meeting. The agenda for the Board Meetings includes detailed notes on the items to be discussed to enable the Directors to take informed decisions.

During the Financial Year 2022-23, Six Meetings of the Board of Director were conducted. The details of Board Meetings and the attendance of the Directors at such meetings are provided in the Corporate Governance Report, which forms part of this Annual Report. The intervening gap between the meetings was within the prescribed period under the Companies Act, 2013 and the Listing Regulations.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134(3) (c) of the Act:

- a) that in the preparation of the Annual Accounts for the year ended March 31, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the profit of the Company for the year ended on that date;
- c) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting

records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d) the annual accounts have been prepared on a going concern basis;
- e) that the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has carried out an annual evaluation of its own performance and that of its Committees as well as performance of all the Directors individually, including Independent Directors, Managing Director, Chief Financial Officer and Executive Directors.

Feedback was sought by way of a structured questionnaire covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board Culture, Execution and Performance of Specific Duties, Obligations and Governance and the evaluation was carried out based on responses received from the Directors.

The performance evaluation of Committees was based on criteria such as structure and composition of Committees, attendance and participation of member of the Committees, fulfilment of the functions assigned to Committees by the Board and applicable regulatory framework, frequency and adequacy of time allocated at the Committee Meetings to fulfil duties assigned to it, adequacy and timeliness of the Agenda and Minutes circulated, comprehensiveness of the discussions and constructive functioning of the Committees, effectiveness of the Committee's recommendation for the decisions of the Board, etc.

The performance evaluation of Independent Directors was based on various criteria, inter-alia, including attendance at Board and Committee Meetings, skill, experience, ability to challenge views of others in a constructive manner, knowledge acquired with regard to the Company's business, understanding of industry and global trends etc.

The performance evaluation of the Directors and Committees was completed during the year under review. The Independent Directors of the Company have held one meeting during the year without the presence of Non-Independent Directors and members of the management to review the performance of Non-Independent Directors and the Board of Directors as a whole.

The Board of Directors expressed their satisfaction with the evaluation process.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

SKY INDUSTRIES EMPLOYEE STOCK OPTION PLAN – 2018

The Company has in force the Sky Industries Employees Stock Options Plan 2018 ("ESOP 2018").

The voting rights of the shares issued to employees under above ESOP are either exercised by the employees directly or through their appointed proxies.

During the year, there have been no material changes in the aforesaid mentioned scheme. The ESOP 2018 scheme is in compliance with the SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 ("SBEB&SE Regulations").

A certificate from the Secretarial Auditors certifying that the scheme viz. ESOP 2018 has been implemented in accordance with SBEB&SE Regulations and in accordance with the Resolution(s) passed by the Members has been obtained and would be available for inspection by the Members of the Company.

The information as required to be disclosed, in relation to ESOP 2018 under the Companies Act, 2013 and the details of the ESOP being implemented, as specified by SEBI under the SBEB Regulations has been annexed as **Annexure 'B'** to the Boards' Report.

ENVIRONMENT, HEALTH AND SAFETY

The Company ensures strict compliance with all the statutory requirements. The focus continues on water and energy conservation, increasing the proportion of green energy in the overall energy consumption and reduction in

generation of waste. The Company has robust environment management system in place to ensure all environmental risks and opportunities associated with our operations are taken care.

The safety culture is a journey and management through frequent communication and training is strengthening the safety culture across the Organization and keep reinforcing the discipline. We are also committed to provide a safe & healthy work environment across all the manufacturing plants and offices. The management have put in place strong processes and procedures across all the plants and have systems to continuously monitor its adherence. The Company's plants continue to improve well-being of its personnel by organising occupational health examination, periodic health check-ups and workplace monitoring.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Vigil Mechanism as envisaged in the Companies Act, 2013, the Rules prescribed thereunder and the Listing Regulations is implemented through the Company's Whistle Blower Policy to enable the Directors, employees and all stakeholders of the Company to report genuine concerns, to provide for adequate safeguards against victimisation of persons who use such mechanism and make provision for direct access to the Chairman of the Audit Committee. The Whistle Blower Policy has been posted on the website of the Company at www.skycorp.in.

During the financial year under review, no complaints were received under the Whistle Blower Policy / Vigil mechanism.

AUDITORS AND REPORTS

Statutory Auditor & their Audit Report for the year ended March 31, 2023

As per section 139(2) of the Companies Act, 2013 and the Rules made thereunder, it is mandatory to rotate the statutory auditors on completion of two terms of five consecutive years and each such term would require approval of the Members. In line with the requirements of the Companies Act, 2013, Statutory Auditors CGCA & Associates LLP, Chartered Accountants (Firm Registration No. 123393W) (Earlier known as UKG & Associates) were appointed as Statutory Auditors of the Company for a period of five consecutive years at the 29th Annual General Meeting (AGM) of the Members held on September 07, 2018 till the Conclusion of 34th Annual General Meeting of the Company to be held in the year 2023. The term of office CGCA & Associates LLP, Chartered Accountants (Earlier

known as UKG & Associates) as statutory Auditors of the Company will conclude from the close of the forthcoming AGM of the Company.

The Board of Directors of the Company based on the recommendation of Audit Committee in their meeting held on May 16, 2023 have re-appointed CGCA & Associates LLP, Chartered Accountants (Earlier known as UKG & Associates) as statutory Auditors of the Company, subject to the approval of members in the ensuing annual general meeting of the Company for a period of 5 (Five) years from the conclusion of 34th Annual General Meeting to the Conclusion of 39th Annual General Meeting to be held in the year 2028.

During the year, the statutory auditors have confirmed that they satisfy the Independence criteria required under the Companies Act, 2013, the Code of Ethics issued by The Institute of Chartered Accountants of India. The Board recommends their reappointment to the members. The notice convening the 34th Annual General Meeting to be held on June 30, 2023 sets out the details.

The Auditors' Report on the Financial Statement for the year ended March 31, 2023, is unmodified i.e., it does not contain any qualification, reservation, adverse remark or disclaimer and notes thereto are self-explanatory and do not require any explanations. The Auditors had not reported any fraud under Section 143(12) of the Act and therefore no details are required to be disclosed under Section 134 (3)(ca) of the Act.

Secretarial Auditor & their Audit Report for the year ended March 31, 2023

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed Ramesh Chandra Mishra & Associates, Company Secretary in practice (Membership No.: 5477 Certificate of Practice No. 3987), Secretarial Auditor to undertake the Secretarial Audit of the Company for the Financial Year ended March 31, 2023.

The Secretarial Audit Report is included as **Annexure-C** and forms an integral part of this Report. The Secretarial Audit Report does not contain any qualifications, reservations, adverse remarks or disclaimer. During the year under review, the Secretarial Auditor had not reported any fraud under Section 143(12) of the Act and therefore no details are required to be disclosed under Section 134 (3)(ca) of the Act.

ANNUAL RETURN

In terms of Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the website of the Company at www.skycorp.in.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34 read with Schedule V to Listing Regulations, Management Discussion and Analysis Report, capturing your Company's performance, industry trends and other material changes with respect to your Company's and its subsidiaries, wherever applicable, for the year under review is presented in a separate section forming part of this Annual Report.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) and the rules made thereunder. The Policy aims to provide protection to employees at workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure.

All women employees whether permanent, temporary or contractual are covered under the above policy. The said policy has been uploaded on the internal portal of the Company for information of all employees. An Internal Complaint Committee (ICC) has been set up in compliance under POSH.

The Company has revisited the Internal Complaints Committee members and emphasised on the roles and responsibilities expected from the members. The Company continuously invests in enhancing the awareness on the Policy across its workforce.

During the year under review, there was no complaint of discrimination and harassment including sexual harassment received by the committee.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Act, read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed as **Annexure 'D'** and forms an integral part of this Report.

SECRETARIAL STANDARDS COMPLIANCES

During the year under review, the Company has complied with all the applicable Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Central Government pursuant to Section 118 of the Companies Act, 2013.

GREEN INITIATIVES

Your Company has adopted a green initiative to minimize the impact on the environment. In commitment to keep in line with the Green Initiatives and going beyond it, electronic copy of the Notice of 34th Annual General Meeting of the Company including the Annual Report for Financial Year 2022-23 are being sent to all Members whose e-mail addresses are registered with the Company / Depository Participant(s).

STATUTORY INFORMATION AND OTHER DISCLOSURES

The Disclosure required under Section 197(12) of the Act read with the Rule 5(1) of the Companies (Appointment and Remuneration of Key Managerial Personnel) Rules, 2014, is annexed as **Annexure 'E'** and forms an integral part of this Report.

A statement comprising the names of top 10 employees in terms of remuneration drawn and every person employed throughout the year, who were in receipt of remuneration in terms of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure 'F'** and forms an integral part of this annual report. The said Annexure is not being sent along with this annual report to the members of the Company in line with the provisions of Section 136 of the Act. Members who are interested in obtaining these particulars may write to the Company Secretary at the Registered Office of the Company. The aforesaid Annexure is also available for inspection by Members at the Registered Office of the

Company, 21 days before and up to the date of the ensuing Annual General Meeting during the business hours on working days.

CAUTIONARY STATEMENT

Statements in this Directors' Report and Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company's operations include raw materials availability and its prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, Tax regimes, economic developments within India and the countries in which the Company conducts business and other ancillary factors.

ACKNOWLEDGEMENT

The Board of Directors places on record its sincere appreciation for the dedicated services rendered by the employees of the Company at all levels and the constructive cooperation extended by them. Your Directors would like to express their grateful appreciation for the assistance and support by all Shareholders, Government Authorities, and Auditors, financial institutions, Customers, employees, suppliers, other business associates and various other stakeholders.

For and on behalf of the Board of Directors
SKY INDUSTRIES LIMITED

Date: May 16,2023
Place: Mumbai

Sd/-
Shailesh S. Shah
Managing director
DIN:00006154

ANNEXURE A

1) Brief outline on CSR Policy of the Company

The Company's policy on CSR sets out a statement containing the approach and direction given by the Board of Directors after taking into account the recommendations of its CSR Committee and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan. This policy is framed pursuant to Section 135 of the Companies Act, 2013 read with rules made thereunder as amended from time to time.

2) Composition of CSR Committee:

SI No	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Lokanath Mishra	Chairman /Independent Director	2	2
2	Mr. Amarendra Mohapatra	Member / Independent Director	2	2
3	Mr. Maikal Raorani	Member / Whole Time Director and Chief Financial Officer	2	2
4	Mrs. Sanghamitra Sarangi	Member / Independent Director	2	2

3) Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company- <https://skycorp.in/wp-content/uploads/2023/03/CSR-Policy.pdf>

4) Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. **Not Applicable**

		(In Rupees)
a)	Average net profit of the company as per sub-section (5) of section 135.	3,07,05,880
b)	Two percent of average net profit of the company as per sub-section (5) of section 135.	6,14,118
c)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years	Nil
d)	Amount required to be set-off for the financial year, if any	Nil
e)	Total CSR obligation for the financial year [(b) +(c)-(d)].	6,14,118

		(In Rupees)
a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).	7,00,000
b)	Amount spent in Administrative Overheads	Nil
c)	Amount spent on Impact Assessment, if applicable	Nil
d)	Total amount spent for the Financial Year [(a)+(b)+(c)].	7,00,000

e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
7,00,000	-		-	-	-

f) Excess amount for set-off, if any:

SI. No.	Particular	Amount (in Rs.)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	6,14,118
(ii)	Total amount spent for the Financial Year	7,00,000
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	85,882
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	85,882

7) Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6	7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any	Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
					Amount (in Rs)	Date of Transfer	
Not Applicable							

8) Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **No**

9) Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135-**Not Applicable**

For Sky Industries Limited

Sd/-

Maikal Raorani

Whole Time Director & CFO

DIN: 00037831

Sd/-

Lokanath Mishra

Chairperson of CSR Committee

DIN:03364948

Date: May 16,2023

Place: **Mumbai**

ANNEXURE - B

DISCLOSURES PURSUANT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA
(SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021

SN	Details of ESOP	Sky Industries Employee Stock Option Plan 2018 (SKY ESOP 2018)
1	Date of Shareholders Approval	September 07, 2018 & ratified on September 14, 2019
2	Total No. of Options approved under ESOP	500000
3	Vesting Requirements	The Options granted would vest within such time from the date of Grant and in such number of installments and subject to such terms as the Nomination and Remuneration Committee may decide, in its absolute discretion from time to time, of the Grant of the Options, subject to a minimum vesting period of one year.
4	Maximum Term of Options Granted	Within 3 years from the date of grant of options
5	Exercise Price or Pricing Formula	Rs. 10/- (Rupees Ten)
6	Source of Shares	Primary
7	Variation in Terms of Options	NIL
8	Method of Option Valuation	Fair Value Method
9	Difference between the above and employee compensation cost that shall have been recognized if it had used the fair value of the options (if method is Intrinsic Value Method)	NA
10	Option movement during the Year	
	Number of Options outstanding at the beginning of the period	38265 options
	Number of Options granted during the year	32700 options granted on April 30,2022
	Number of Options forfeited/lapsed during the year	2000
	Number of Options vested during the year	-
	Number of Options exercised during the year	-
	Number of Shares arising as a result of exercise of options	-
	Money realized by exercise of options (Amount in Rs.)	-
	Loan repaid by the Trust during the year from exercise price received	-
	Number of Options outstanding as at March 31, 2023	30700
	Number of Options exercisable as at March 31, 2023	30700
11	Weighted average exercise price of Options granted whose	
	(a) Exercise Price equals market price	-
	(b) Exercise Price is greater than market price	-
	(c) Exercise Price is less than market price	Rs. 10/-
	Weighted average fair value of Options granted during the year whose	
	(a) Exercise Price equals market price	
	(b) Exercise Price is greater than market price	
	(c) Exercise Price is less than market price	Please refer note no. 33 to financial statements mentioned in the Annual Report 2022-23

SN	Details of ESOP	Sky Industries Employee Stock Option Plan 2018 (SKY ESOP 2018)		
	Weighted Average Information: The fair value of employee share options, see (A) above, has been measured using Black Scholes Merton Model. The fair value of the options and the inputs used in the measurement of the grant date fair values of the equity-settled share-based payment plan are as follows: Not Applicable.			
	Price of underlying shares in market at the time of option grant	Please refer note no. 33 to financial statements mentioned in the Annual Report 2022-23		
	Exercise price			
	Expected volatility			
	Expected life			
	Expected dividends			
	Risk-free interest rate			
12	Employee Wise details of-			
	i) Options granted to Key Managerial Personnel during the FY 2022-23			
	Name	Designation	Option Granted during the Year	Exercise Price
	Maikal Raorani	Whole Time Director and Chief Financial Officer	4800	Rs. 10/- per option
	Vaibhav Desai	Whole Time Director	4000	Rs. 10/- per option
	*Swapnil Soni	Company Secretary and Compliance Officer	2000	Rs. 10/- per option
	ii) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during the year; and			
	Name	Designation	Option Granted during the Year	Exercise Price
	NIL			
	iii) Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversations) of the Company at the time of grant			
	Name	Designation	Option Granted during the Year	Exercise Price
	NIL			

*Mr. Swapnil Soni, Company Secretary and Compliance Officer of the Company has resigned from the Company w.e.f. March 13,2023 hence the 2000 options granted to him stands lapsed.

**By & On Behalf of the Board of Directors
For Sky Industries Limited**

Sd/-

Shailesh S Shah

Managing Director

DIN: 00006154

Sd/-

Maikal Raorani

Whole Time Director & CFO

DIN: 00037831

Date: May 16,2023

Place: Mumbai

ANNEXURE - C

FORM NO. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
Sky Industries Limited
CIN: L17120MH1989PLC052645

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 (hereinafter called the 'Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

1. The Companies Act, 2013 ('the Act') and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment (Not applicable to the Company during the Audit Period).

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
3. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
4. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;
5. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
6. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

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

We further report that, there were no events/ actions in pursuance of:

1. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
2. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 requiring compliance thereof by the Company during the Audit Period.
3. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and the Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021;

We report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, the Company has complied with the following laws applicable specifically to the Company:

1. Factories Act, 1948;
2. Industries (Development and Regulation) Act, 1951;
3. Labour Laws and other identical laws related to the labour and employees appointed by the Company either on its payroll or on contractual basis;
4. Competition Act, 2002.
5. Consumer Protection Act, 1986.
6. Environmental Protection Act, 1986.
7. The Hazardous Waste (Management & Handling and Transboundary Movement) Rules, 2008.
8. Gas Cylinders Rules, 2004.
9. Standards of Weights & Measures (Enforcement) Act, 1985.
10. Foreign Trade (Development & Regulation) Act, 1992.
11. The Legal Metrology Act, 2009.
12. Information Technology Act, 2000 and the rules made thereunder;
13. The Payment of Gratuity Act, 1972.

We report that, during the year under review, the Company has complied with the Provisions of the Acts, rules, regulations, guidelines and Standards, etc. as mentioned above.

We further report that, based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, and also on the review of quarterly compliance reports by respective department heads taken on record by the Board of Directors of the Company, in our opinion, adequate systems and processes and control mechanism exist in the Company to monitor and ensure compliance with applicable general laws like Labour Laws.

We further report that, the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

We further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

We further report that, Adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance to all Directors, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

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

We further report that, during the Audit Period, the following events occurred which had a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations and guidelines:

- During the year under review, the Company on April 30,2022 has issued & allotted,10,10,000 Equity Shares upon the Conversion of 10,10,000 Warrants into Equity Shares of face value of Rs. 10/- each at a price of Rs. 30/- per Equity Share to Promoter and Non-Promoter Group of Company.

For Ramesh Chandra Mishra & Associates

Sd/-

Ramesh Mishra

Company Secretary In Practice

FCS: 5477

PCS: 3987

UDIN NO.:- F005477E000312751

MAY 16, 2023

Place - Mumbai

This report is to be read with Annexure A which forms an integral part of this report.

ANNEXURE - D

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

The information under section 134 (3) (m) of the Companies Act, 2013 read with rule 8 (3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2023 is given here below and forms part of the Board's Report.

A. CONSERVATION OF ENERGY

Your Company is committed to continuing with its sustainability efforts in 2023, by contributing to environmental protection and considering energy conservation as one of the strong pillars of preserving natural resources. This also helps in reducing carbon footprint across all its operations. Your Company has a strong objective of providing substantial benefit to customers in the form of reduced emissions, pollutants and deliver cost effective and environment friendly energy solutions.

I. Steps taken or impact on conservation of energy:

The company is making continuous efforts on ongoing basis for energy conservation by adopting innovative measures to reduce wastage and optimise consumption. Some of the specific measures undertaken by the Company in this direction at its production units located at Vashi & Bhiwandi are as under:

1. Programs for improving energy efficiency and energy productivity across all operations;
2. Rainwater Harvesting, reduce usage, reuse and recycle water;
3. Eco efficient in supply chain;
4. Replacement of old conventional lights with LED Tube rods.
5. Installation of Energy Efficient inverters split AC's.
6. Replacement of normal Ceiling Fan with energy efficient ceiling fan.
7. Environment Friendly practices for reduction of power consumption, optimum water consumption, eliminating excess use of paper and usage of eco-friendly products.

These measures have also led to power saving, reduced maintenance time and cost, improved hygienic condition and consistency in quality and improved productivity.

II. Additional investments and proposals, if any, being implemented for reduction of consumption of energy; NA

III. The Capital investment on energy conservation equipment's: NA

B. TECHNOLOGY ABSORPTION

I. The efforts made towards technology absorption:

Your Company is committed towards technology driven innovation and inculcating an innovation driven culture within the organisation. During the year under review, your Company continued to work on advanced technologies, up gradation of existing technology and capability development in the critical areas for current and future growth.

II. The benefits derived like product improvement, cost reduction, product development or import substitution:

The efforts taken by your Company towards technology development and absorption help deliver competitive advantage, improved productivity, reduced cost, increased efficiency and overall improvement in quality of products manufactured. These efforts will also support Company's sustainability efforts by reducing power consumption, emission and waste.

III. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): NOT APPLICABLE

IV. The expenditure incurred on Research & Development

The Company has not incurred any expenditure on Research and Development during the year under review.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

(Rs. in Lakhs)

Particulars	FY 2022-23	FY 2021-22
Foreign Exchange Earned	977.89	908.07
Foreign Exchange Used	3759.35	2352.04

ANNEXURE - E

STATEMENT OF DISCLOSURE OF REMUNERATION

Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

SN	Requirements	Disclosure	
1	The ratio of the remuneration of each director to the median remuneration of all the employees of the Company for the financial year.	Name of the Director	Ratio (in x times)
		Mr. Shailesh S. Shah	12.35
		Mr. Sharad S. Shah	7.41
		Mr. Maikal Raorani	6.18
		Mr. Vaibhav Desai	3.71
		Mr. Amarendra Mohapatra	-
		Ms. Sanghamitra Sarangi	-
		Mr. Lokanath S. Mishra	-
2	The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year.	Name of the Director	% increase in Remuneration
		Mr. Shailesh S. Shah	0
		Mr. Sharad S. Shah	50.00
		Mr. Maikal Raorani	66.7
		Mr. Vaibhav Desai	1.7
		Mr. Amarendra Mohapatra	-
		Ms. Sanghamitra Sarangi	-
		Mr. Lokanath S. Mishra	-
		Mr. Nitin Arvind Oza	-
		Mr. Swapnil Soni*	7.8
3	The percentage increase/decrease in the median remuneration of employees in the financial year.	During FY 2022-23, the percentage increase in the median remuneration of employees as compared to previous year was approximately 23.78 %	
4	The number of permanent employees on the rolls of Company.	There were 70 employees as on March 31, 2023	
5	The Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	The average annual increase was in the range of 5-8%. However, during the course of the year, the total average increase is approximately 5.04%, after accounting for promotions and other event-based compensation revisions.	
6	Affirmation that the remuneration is as per the remuneration policy of the Company	It is affirmed that the remuneration paid is as per the Nomination & Remuneration Policy of the Company.	

* Mr. Swapnil Soni has resigned from the position of Company Secretary w.e.f. March 13, 2023.

Notes:

- The median remuneration of all the employees of the Company was Rs. 4.85 Lakhs. For this purpose, Sitting Fees paid to the Directors has not been considered as remuneration;
- Figures have been rounded off wherever necessary.



CORPORATE GOVERNANCE REPORT



REPORT ON CORPORATE GOVERNANCE

[Report on Corporate Governance pursuant to the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 {" Listing Regulations"} and forming a part of the report of the Board of Directors]

1. Philosophy on the code of governance:

Good Corporate Governance helps enhancement of long term shareholders value, and interest of other stakeholders. This is achieved through increased transparency, accountability, consistent value system and professionalism. The Company is committed to the adoption and adherence to Corporate Governance Practices that ensure; adequate transparency to take informed decisions and building trust for impactful collaboration.

Your Company is committed to maintain high standards of Corporate Governance to achieve business excellence and strengthen the confidence of all stakeholders. The Company constantly endeavours to create and sustain long-term value for all its stakeholders including, but not limited to, shareholders, employees, customers, vendors, suppliers, investors and the wider communities that we serve.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of Regulation 46 (2) of SEBI Listing Regulations, as applicable, with regard to corporate governance.

2. Board of Directors

The Company's Board is diverse with a mixed blend of expertise, professionals and experience. The Board has an optimum mix of both Independent and Non-Independent Directors.

Size and Composition-

As of March 31, 2023, the Board Comprises of Eight (8) Directors, out of which four (4) are Executive Directors and four (4) are Non-Executive Independent Directors (including one Independent Woman Director). The composition of the Board is in conformity

with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the Companies Act, 2013 ("the Act").

Independent Directors-

In terms of Section 149(7) of the Companies Act, 2013, the Independent Directors have given a declaration to the Company that they meet the criteria of independence as specified under Section 149(6) of the Companies Act, 2013 and the SEBI Listing Regulations. The Board confirms that the Independent Directors fulfil the conditions specified in terms of the Companies Act, 2013 and the Listing Regulations and that they are Independent of the management of the Company. All the Directors are in compliance with the limit on Independent Directorships of listed Companies as prescribed under Regulation 17A of the Listing Regulations. The terms and conditions of appointment of Independent Directors have been disclosed on the website of the Company as required in terms of Regulation 46 of the Listing Regulations.

All the Directors have confirmed that they are not members of more than 10 Committees and Chairperson of more than 5 Committees (as specified under Regulation 26 (1) Listing Regulations) across all the Companies in which they are Directors.

Board Procedure-

The Board Meeting is conducted at least once in every quarter to discuss the agenda items set for the meeting including performance, policies and the strategies required, from time to time. All the necessary documents and information pertaining to the matters to be considered at each Board Meeting and Committee Meeting, is made available to the Board of Directors and Committee Members to discharge their responsibilities effectively.

Meetings held during the financial year 2022-23

Six (6) Board Meetings were held during the year under review and the gap between two meetings did not exceed 120 days. The meetings were held on the following dates.

Board Meeting Dates	April 30,2022	August 10,2022	October 17,2022	October 22,2022	November 12,2022	February 13,2023
Mode of Meeting	Through Video-Conferencing					

Attendance, Directorships and Committee positions –

Name of the Director	Category of Director	Directorship as on March 31,2023		Attendance at meetings held during the financial year 2021-22		Number of Committee Membership in other Companies (excluding Sky Industries Limited)	
		Total no. of Directorships as on March 31, 2022 (excluding Sky Industries Limited)	Directorship held in other Listed Company	Board (Out of 6)	AGM held on June 30,2022	Chairperson	Member
Mr. Shailesh S. Shah	Promoter, Managing Director	1	0	6	1	-	-
Mr. Maikal Bhupendra Raorani	Whole-Time Director and Chief Financial Officer	1	0	6	1	-	-
Mr. Sharad Suryakant Shah	Promoter, Whole-Time Director	0	0	6	1	-	-
Mr. Vaibhav Jay Desai	Whole-Time Director	0	0	6	1	-	-
Mr. Amarendra Mohapatra	Non-Executive - Independent Director- Chairperson	5	0	6	1	-	-
Mr. Lokanath S. Mishra	Non-Executive - Independent Director	6	2	6	1	2	4
Mr. Nitin Arvind Oza*	Non-Executive - Independent Director	3	2	2	N.A	1	4
Mrs. Sanghamitra Sarangi	Non-Executive - Independent Director	1	1	6	1	1	2

* Mr. Nitin Arvind Oza appointed as Non-Executive Independent Director w.e.f. October 22, 2022.

Notes

- While considering the total number of directorships, directorships in private companies, foreign companies and companies incorporated under Section 8 of the Companies Act, 2013 have been excluded.
- Includes Audit Committee, and the Stakeholders' Relationship Committee of Public Companies (listed and unlisted) only;
- In terms of Part C of Schedule V of the Listing Regulations, it is hereby disclosed that Mr. Shailesh S. Shah, Promoter and Managing Director is brother of Mr. Sharad Suryakant Shah, Whole-Time Director of the Company. Except this, there is no other inter-se relationship amongst the Directors.
- The number of Directorship, Chairmanship/ Membership in Committees of all Directors is within prescribed limit under Companies Act, 2013 and Regulation 26 of Listing Regulations.

Familiarisation Programmes-

Pursuant to the provision of Regulation 25(7) of the Listing Regulations, the Company has in place Familiarization Programme for Independent Directors to familiarize them about the Company and their roles, rights and responsibilities in the Company. At the time of appointment of an Independent Director, an appointment letter incorporating the role and duties, tenure of appointment, evaluation process, details regarding remuneration is given to the Directors.

Details of familiarisation Programmes imparted to Independent Directors are disclosed on the Company's website at https://skycorp.in/wp-content/uploads/2023/02/Independent-Director-Familiarization-Programme_SKY.pdf

Matrix of skills / expertise/ competencies of the Board of Directors-

In the table below, the specific areas of expertise of individual Board members are as under:

Name of Directors	Areas of Expertise						
	Finance and Banking	Sales & Marketing	Production	Legal & Compliance	Leadership Skills	Human Resource & Operations	Business Development
Mr. Shailesh S. Shah	✓	✓	✓	✓	✓	✓	✓
Mr. Maikal Bhupendra Raorani	✓	✓	✓	✓	✓	✓	✓
Mr. Sharad Suryakant Shah	✓	✓	✓		✓	✓	✓
Mr. Vaibhav Jay Desai			✓		✓	✓	✓
Mr. Amarendra Mohapatra		✓		✓	✓		
Mr. Lokanath S. Mishra			✓	✓	✓		✓
Mr. Nitin Arvind Oza*	✓	✓		✓	✓	✓	
Mrs. Sanghamitra Sarangi	✓	✓		✓	✓		

3) Audit Committee

The Audit Committee of the Company is duly constituted as per Regulation 18 of the Listing Regulations, read with the provisions of Section 177 of the Companies Act, 2013. All the Members of the Audit Committee are financially literate and capable of analysing Financial Statements of the Company.

A) Terms of Reference

The brief terms of reference of the Audit Committee include the following:

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;

The Board of Directors comprises of qualified members with the required skills, competence and expertise for effective contribution to the Board and its Committee. The Board members are committed to ensure that the Company is in compliance with the highest standards of Corporate Governance.

In terms of Listing Regulations, the following skills, expertise and competencies have been identified by the Board of Directors as required in the context of its business and sector for it to function effectively:

- Finance and Banking
- Sales & Marketing
- Production
- Legal & Compliance
- Leadership Skills
- Human Resource & Operations
- Business Development

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 to be 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 utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of 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. Reviewing the utilisation 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.

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.

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 utilised for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7).

During the year under review, the Audit Committee also reviewed and approved the related party transactions from time to time.

Composition, Meetings and Attendance -

Name of Members	Category	Meeting Dates	April 30,2022	August 10,2022	August 18,2022	October 17,2022	November 12,2022	February 13,2023	
			Mode of Meeting	Through Video-Conferencing					
			No of Meetings Attended						
Mr. Lokanath Mishra (Chairperson)	Independent Director	6	✓	✓	✓	✓	✓	✓	
Mr. Amarendra Mohapatra (Member)	Independent Director	6	✓	✓	✓	✓	✓	✓	
Mrs. Sanghamitra Sarangi (Member)	Independent Director	6	✓	✓	✓	✓	✓	✓	
Mr. Maikal Raorani (Member)	Whole Time Director & Chief Financial Officer	6	✓	✓	✓	✓	✓	✓	

Functional Heads, Representatives of the statutory auditors, internal auditors as and when required attend the meetings of the Audit Committee from time to time. The Company Secretary of the Company acts as the secretary to the Audit Committee. The Chairperson of the Audit Committee attended the 33rd Annual General Meeting held on June 30, 2022.

4) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee of the Board has been constituted as per the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

A) Terms of Reference

The brief terms of reference of the Audit Committee include the following:

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;
- 1A. For every appointment of an Independent Director, the Nomination and Remuneration Committee shall evaluate the balance 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
6. Recommend to the board, all remuneration, in whatever form, payable to senior management.

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.
2. Formulation of criteria for evaluation of performance of Independent Directors and the board of directors;
3. Devising a policy on diversity of board of directors;
4. 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;
5. 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;

Composition, Meetings and Attendance –

During the Financial Year 2022–23 the Nomination Remuneration Committee met Three (3) times. The Composition of the Committee, date of the meetings and attendance of Nomination & Remuneration Committee members in the said meetings is given below –

Name of Members	Category	Meeting Dates	April 30,2022	October 22,2022	February 13,2023
		Mode of Meeting	Through Video-Conferencing		
		No of Meetings attended			
Mr. Lokanath Mishra (Chairperson)	Independent Director	3	✓	✓	✓
Mr. Amarendra Mohapatra (Member)	Independent Director	3	✓	✓	✓
Mrs. Sanghamitra Sarangi (Member)	Independent Director	3	✓	✓	✓

Performance evaluation of Board criteria for Independent Directors-

Pursuant to the provisions of the Act and Regulation 17 of the Listing Regulations, the Board has undertaken an evaluation of its own performance, the performance of its Committees and of all the individual Directors including Independent Directors and the Chairperson of the Board of Directors. The Committee shall determine a process for evaluating the performance of Independent Directors, on an annual basis. The Committee may seek the support and guidance of external experts and agencies for this purpose.

An annual evaluation of the Directors was carried through a questionnaire in which various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

5) Stakeholders' Relationship Committee

The Stakeholders Relationship Committee has been constituted as per the requirements of Section 178

Composition, Meetings and Attendance -

During the Financial Year 2022-23 the Stakeholders Relationship Committee met Four (4) times. The Composition of the Committee, date of the meetings and attendance of Stakeholders Relationship Committee members in the said meetings is given below -

Name of Members	Category	Meeting Dates	April 30,2022	August 10,2022	November 12,2022	February 13,2023
		Mode of Meeting	Through Video-Conferencing			
		No of Meetings attended				
Mr. Lokanath Mishra (Chairperson)	Independent Director	3	✓	✓	✓	✓
Mr. Amarendra Mohapatra (Member)	Independent Director	3	✓	✓	✓	✓
Mrs. Sanghamitra Sarangi (Member)	Independent Director	3	✓	✓	✓	✓

Name, designation and contact details of the Compliance Officer -

Ms. Priyal Ruparelia, Company Secretary and Compliance Officer (ICSI M. NO.: A71040), is the Compliance Officer of the Company.

of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations.

A) Terms of Reference

1. Resolving the grievance of the security holders of the Company 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 Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

The Compliance Officer can be contacted at:**SKY INDUSTRIES LIMITED**

Corporate Office Address- 1101, Universal Majestic, Behind RBK Intl School , Ghatkopar Mankhurd Link Road, Chembur West, Mumbai - 400 043.

- Tel: +91 22 6713 7900
- Email: corporate@skycorp.in
- www.skycorp.in

Status of investors' complaints as on March 31, 2023 –

During the year, **NO** Complaints were received through the SCORE portal of SEBI. No request for Share Transfer or Dematerialisation was pending for approval as on March 31, 2023.

Composition, Meetings and Attendance –

During the Financial Year 2022–23 the Corporate Social Responsibility Committee met Two (2) times. The Composition of the Committee, date of the meetings and attendance of Corporate Social Responsibility Committee members in the said meetings is given below –

Name of Members	Category	Meeting Dates	November 12,2022	March 20,2023
		Mode of Meeting	Through Video-Conferencing	Physical
No of Meetings attended				
Mr. Lokanath Mishra (Chairperson)	Independent Director	2	✓	✓
Mr. Amarendra Mohapatra (Member)	Independent Director	2	✓	✓
Mr. Maikal Raorani (Member)	Whole-Time Director and Chief Financial Officer	2	✓	✓
Mrs. Sanghamitra Sarangi (Member)	Independent Director	2	✓	✓

The Board has approved CSR Policy. The Annual Report on CSR Activities as required to be given under Section 135 of the Companies Act, 2013 and Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 has been provided in an Annexure which forms part of the Directors' Report.

7. Remuneration of Directors**A. Policy on Remuneration**

The Company considers human resources as its invaluable assets. The remuneration policy endorses equitable remuneration to all directors, key managerial personnel and employees of the Company consistent with the goals of the Company.

The Remuneration policy for all the employees are designed in a way to attract talented executives and remunerate them fairly and responsibly, this being a continuous on going exercise at each level in the organization.

6) Corporate Social Responsibility Committee-

The Corporate Social Responsibility Committee has been constituted as per the requirements of Section 135 of the Companies Act, 2013

A) Terms of Reference

1. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013, as amended, read with Rules framed thereunder;
2. Recommend the amount of expenditure to be incurred on such activities;
3. Monitor the Corporate Social Responsibility Policy of the Company from time to time.

The Nomination and Remuneration policy of the Company has been disseminated on the website of the Company at <https://skycorp.in/sky-policies-adopted/>

B. Remuneration to Independent Directors

The Independent Directors are paid remuneration by way of sitting fees for each Meeting of the Board attended by them. The total amount of sitting fees paid to Independent Directors during the Financial Year ended March 31, 2023 is Rs 2, 00,000. Details of remuneration paid to the Non-Executive Independent Directors for the year ended March 31, 2023 are as follows:

(in lakhs)

Name of the Director	Sitting Fees	Commission	Total	Shareholding
Mr. Amarendra Mohapatra	0.60	-	0.60	-
Mr. Lokanath Mishra	0.60	-	0.60	-
Mr. Nitin Arvind Oza	0.20	-	0.20	-
Mrs. Sanghamitra Sarangi	0.60	-	0.60	-

There are no pecuniary relationships or transactions between the Non-Executive Director's vis-à-vis the Company, which needs to be disclosed in the Annual Report.

C. Remuneration to Executive Director

The Company remunerates its Executive Directors by way of salary and commission. The remuneration of Executive Directors consists of basic salary, perquisites, allowances and performance incentives (wherever paid). Perquisites and retirement benefits are paid according to the Company policy.

Remuneration is paid within the limits as approved by the shareholders within the stipulated limits of the Companies Act, 2013 and the Rules made thereunder. The remuneration paid to the Executive Director is determined keeping in view the industry benchmark and the performance of the Company.

(in lakhs)

Name of the Director	Salary	Commission	Total	Stock Option
Mr. Shailesh S. Shah	60	-	60	-
Mr. Maikal Bhupendra Raorani	30	-	30	4,800 Options
Mr. Sharad Suryakant Shah	36	-	36	-
Mr. Vaibhav Jay Desai	18	-	18	4,000 Options

8. General Body Meetings

A) Details of Last three Annual General Meetings are as under –

AGM	Financial Year	Day, Date and Time	Venue	Details of Special Resolution Passed
31st	2019-2020	Friday, August 28, 2020 2:00 p.m.	Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")	-
32nd	2020-2021	Tuesday, June 29, 2021 11:00 a.m.	Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")	-

AGM	Financial Year	Day, Date and Time	Venue	Details of Special Resolution Passed
33rd	2021-2022	Thursday, June 30, 2022 11:00 a.m.	Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")	<p>A) Re-appointment of Mr. Shailesh S. Shah (DIN: 00006154) as Managing Director for a period of 3 (Three) years and to fix his remuneration for a period of 3 (Three) years</p> <p>B) Re-appointment of Mr. Sharad S. Shah (DIN: 00006114) as Whole Time Director for a period of 3 (Three) years and to fix his remuneration for a period of 3 (Three) years</p> <p>C) Re-appointment of Mr. Maikal Raorani (DIN: 00037831) as Whole Time Director for a period of 3 (Three) years and to fix his remuneration for a period of 3 (Three) years</p>

All resolutions moved at the Annual General Meeting were passed by the requisite majority of shareholders. The Chairperson of the Audit Committee was present at all the above AGMs

B) Extraordinary General Meetings

During the year under review, no Extra Ordinary General Meeting was held.

C) Details of resolutions passed by way of postal ballot -

Details of resolutions passed through Postal Ballot

Financial Year	Day and Date	Type of Resolution	Details of Special Resolution Passed
2022-2023	Wednesday, December 28, 2022	Special Resolution	Appointment of Mr. Nitin Arvind Oza (DIN: 03198502) as Independent Director of the Company

Details of Voting Pattern-

Resolution	No. of Votes Polled	No. of Votes Cast in Favour	No. of Votes Cast Against	Polled % of Votes Cast in Favour on Votes Polled	% of Votes Cast Against on Votes Polled
Appointment of Mr. Nitin Arvind Oza (DIN: 03198502) as Independent Director of the Company	56,56,646	56,54,136	2,510	99.9556	0.0444

D) Person who conducted the postal ballot exercise

M/s. Ramesh Chandra Mishra & Associates, Company Secretary in practice (Membership No.: FCS 5477 and Certificate of Practice No.: 3987) acted as the Scrutinizer for conducting the Postal Ballot through remote e-Voting process in a fair and transparent manner.

E) Any special resolution is proposed to be conducted through postal ballot

Resolution(s), if required, shall be passed by Postal Ballot during FY 2023-24, as per the prescribed procedure.

G) Procedure for postal ballot

The postal ballot is conducted in accordance with the provisions contained in Section 110 and other applicable provisions of the Companies Act, 2013, (the "Act") if any, read with the Companies (Management and Administration) Rules, 2014 ("Rules"), including any statutory amendment(s) or modification(s) thereto or enactment(s) or re-enactment(s) thereof for the time being in force, Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing

Regulations"), Secretarial Standard on General Meetings ("SS-2") issued by The Institute of Company Secretaries of India. The Shareholders are provided the facility to vote through e-voting electronic means (remote e-Voting).

The Postal Ballot Notice is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories. The Company also publishes a notice in the newspapers in accordance with the requirements under the Companies Act, 2013.

Shareholders holding equity shares as on the cut-off date may cast their votes through e-voting or through postal ballot during the voting period fixed for this purpose. After completion of scrutiny of votes, the scrutinizer submits his report to the Chairperson and the results of voting by postal ballot are announced within 2 working days of conclusion of the voting period. The results are displayed on the website of the Company www.skycorp.in and communicated to the Stock Exchanges, Depositories, and Registrar and Share Transfer Agents. The resolutions, if passed by the requisite majority, are deemed to have been passed on the last date specified for receipt of duly completed postal ballot forms or e-voting.

9) Means of Communication

Quarterly Results	The Company communicates to the Stock Exchange about the quarterly financial results within 30 minutes from the conclusion of the Board Meeting in which the same is approved.
Newspapers wherein results normally published	The results are usually published in the Business Standard (English) and Mumbai Lakshadeep (Marathi) newspapers.
Any website, where displayed	All the information and disclosures required to be disseminated as per Regulation 46(2) of the Listing Regulations and Companies Act, 2013 are being posted at Company's website https://skycorp.in/
Whether it also displays official news releases; and Presentations made to institutional investors or to the analysts.	The official news releases and presentations to the institutional investors or analysts, if made any shall be disseminated to the Stock Exchange at www.bseindia.com and the same is also uploaded on the website of the Company www.skycorp.in

10) General shareholder information:

a)	Annual General Meeting - date, time and venue	Friday, June 30, 2023 at 11:00 A.M. (IST) Annual General Meeting through Video Conferencing/ Other Audio-Visual Means (VC/ OAVM facility) [Deemed Venue for the meeting: Registered Office: Plot No. C-58, T.T.C. Industrial Area, Thane Belapur Road, Pawane, Navi Mumbai – 400705]
b)	Financial Year	April to March
c)	Record Date	June 23, 2023
d)	Dividend Payment Date	On or before July 29, 2023 Dividend is subject to TDS
e)	Registered Office	Plot No. C-58, T.T.C. Industrial Area, Thane Belapur Road, Pawane, Navi Mumbai – 400705
f)	Corporate Office	1101, Universal Majestic, Ghatkopar Mankhurd Link Road, Chembur (West) Mumbai 400043
f)	CIN	L17120MH1989PLC052645
g)	Name and Address of Stock Exchanges where Company's securities are listed	BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001, India
h)	Stock Code / Symbol	526479
i)	Listing fees	The Annual Listing fees for the financial year 2022-23 has been paid to BSE Limited
j)	Share Registrar and Transfer Agents	Link Intime India Private Limited C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400083, Maharashtra, India Tel No.: +91-22-4918 6270 Fax No.: +91-22-4918 6060 Investor query registration: rnt.helpdesk@linkintime.co.in
k)	Company Secretary & Compliance office	Mr. Swapnil Soni (Up to March 13, 2023) Ms Priyal Ruparelia (W.e.f. May 16, 2023)

l) Tentative Financial Calendar:

Financial Year	April 01,2023 to March 31,2024
Adoption of Quarterly Results for the quarter ending :	
June ,2023	First Week of August, 2023
September, 2023	Last week of October / 1 st week of November, 2023
December, 2023	Last week of January / 1 st week of February, 2024
March ,2024	First / Second Week of May ,2024

m) Market Price Data (high, low in each month in last financial year):

Month	BSE Limited		
	High (₹)	Low (₹)	Volume(₹)
April ,2022	108.75	61.25	27423207
May , 2022	93.3	71	6607295
June , 2022	90	71.15	1508973
July , 2022	81	62	1029773
August , 2022	101.95	69	17019277
September , 2022	121	87	93172379
October , 2022	99	80.3	3010656
November , 2022	103.95	81.75	8466174

n) Performance in comparison to broad based indices BSE Sensex

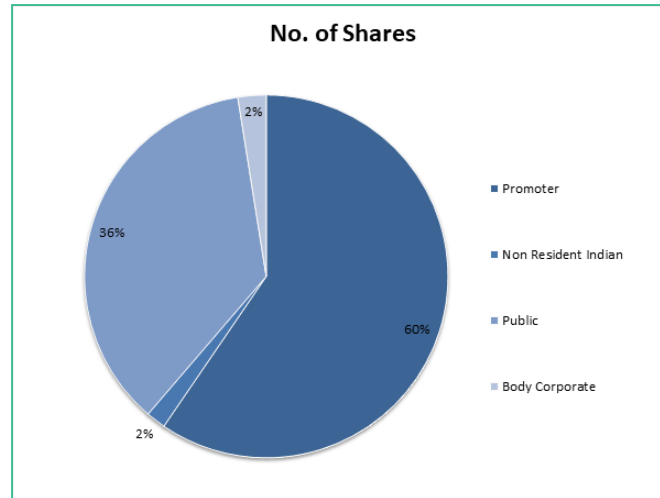


o) Share Transfer System:

In terms of Regulation 40(1) of Listing Regulations, as amended, securities can be transferred only in dematerialised form w.e.f. April 1, 2019, Members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Transfer of Equity Shares in electronic form is affected through the depositories with no involvement of the Company.

p) Shareholding Pattern (Equity) as on March 31, 2023

Category	No. of Shares	%
Promoter	45,84,916	58.33
Non Resident Indian	1,34,720	1.71
Public	27,88,991	35.48
Body Corporate	1,93,269	2.46
Others	1,57,945	2.01
Total	78,59,841	100



q) Distribution of Shareholding as on March 31, 2023

Range	Shareholders		Equity Shares	
	Number	%	Number	%
1-500	2183	83.0986	281548	3.5821
501-1000	177	6.7377	147292	1.8740
1001-2000	103	3.9208	154643	1.9675
2001-3000	38	1.4465	94132	1.1976
3001-99999	126	4.7963	7182226	91.3788
Total	2627	100	7859841	100

r) Dematerialization of Shares and Liquidity

Particulars	NSDL	CDSL	Physical	Total
Shares	5581922	2022273	255646	7859841
Shares (%)	71.02%	25.73%	3.25	100

s) Outstanding GDRs/ ADRs/ Warrants

The Company has not issued any GDRs, Warrant or any convertible instruments.

t) Commodity Price Risk or Foreign exchange risk and hedging activities-

During the year 2022-23, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The exposure to currency risk is explained in detail in the notes to the financial statements

u) Plant Locations

- Plot No. C-58, T.T.C. Industrial Area, Thane Belapur Road, Pawane, Navi Mumbai – 400705
- S. No. 49, Unit-A to F Om Sainath Compound Dapode Taluka Bhiwandi, District-Thane Pin 421302

- v) List of all credit rating

As on March 31, 2023, CRISIL Rating Limited (Credit Rating Agency) has given the following rating:

Long Term Rating	CRISIL BB+/Positive (Outlook revised from 'Stable' Rating reaffirmed)
Short Term Rating	CRISIL A4+ (Reaffirmed)

- w) Address for correspondence:

Registered Office: C-58, TTC Industrial Area, Thane Belapur Road, Pawane, Navi Mumbai, Maharashtra, 400705
Corporate Office: 1101, Universal Majestic, Behind RBK Intl School, Ghatkopar Mankhurd Link Road, Chembur (West), Mumbai - 400043

- x) Details with respect to Demat Suspense Account/Unclaimed Suspense Account as per Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Particulars	Shareholders		Physical	
	No. of Shareholder	No. of equity shares	No. of Shareholder	No. of equity shares
Aggregate no. of shareholders and the outstanding shares in the suspense account lying as on April 1, 2022	NIL	NIL	NIL	NIL
Number of shareholders who approached the Company for transfer of shares from suspense accounts during the year	-	-	-	-
Number of shareholders to whom shares were transferred from the suspense account during the year	-	-	-	-
Shares Transferred to IEPF A/c	-	-	-	-
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2023	NIL	NIL	NIL	NIL

11) Other Disclosures

- a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large

During the year, there were no material related party transactions i.e. transactions of the Company of a material nature with its promoters, the Directors or the management, their subsidiaries or relatives etc. that may have a potential conflict with the interests of the Company at large. All related party transactions are mentioned in the notes to the accounts.

As required under Regulation 23(1) of SEBI Listing Regulations, the Company has formulated a policy on dealing with related party transactions. The said policy is also available on the website of the Company. The web link thereto is <https://skycorp.in/sky-policies-adopted/>

- b) Details of Non-Compliance by the listed entity, penalties, structures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years;

There was No Non-Compliance by the Company and no penalties or structures were imposed on the Company by the Stock Exchange or Securities and Exchange Board of India (SEBI), or any statutory authority on any matter related to the capital markets during the last three years.

- c) Disclosure of Vigil Mechanism/ Whistle Blower Policy and access to the Chairperson of the Audit Committee

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, Regulation 22 of SEBI Listing Regulations, the Company has formulated Whistle Blower Policy for Vigil Mechanism for Directors and Employees to report to the Management about the unethical behaviour, fraud or violation of Company's code of conduct. The same has been put up on the website of the Company on following <https://skycorp.in/sky-policies-adopted/>

The mechanism provides for adequate safeguards against victimization of Employees and Directors who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in exceptional cases. None of the people have been denied access to the Audit Committee.

- d) The Company has complied with all the mandatory requirements under Listing Regulations
- e) Policy for determining 'material' subsidiaries

Company does not have a subsidiary as on March 31, 2023, Hence it is not required to adopt a policy for Determining Material Subsidiary.

- f) Web link where policy on dealing with related party transactions
<https://skycorp.in/sky-policies-adopted/>
- g) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

The details of utilization of funds raised through preferential allotment as on March 31, 2023 is given in the Directors' Report.

- h) Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof:

There were no instances During the Financial Year 2022-2023 where the Board of Directors has not accepted recommendations made by any committee of the Board.

- i) Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm/network entity of which the statutory auditor is part during the Financial Year 2022-23.

Particulars	(In rs)
Audit Fees	3.00
Certification Charges	-
Out of Pocket Expenses	3.34

- j) Disclosures in relation to Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013

Number of complaints filed during the financial year	Nil
Number of complaints disposed of during the financial year	Nil
Number of complaints pending as on end of the financial year	Nil

- k) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries: Not Applicable

12) Non-Compliance of any Requirement of Corporate Governance Report

The Company has complied with all the mandatory requirements specified in Regulation 17 to 27 and Clause (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations.

13) Discretionary Requirements

The status of compliance with discretionary requirements of Part E of schedule II of Listing Regulations with Stock Exchanges is provided below:

The Board	The Company has a Non-Executive Independent Director
Shareholder Rights	As the quarterly and half-yearly financial performance are published in the newspapers and are also posted on the Company's website, the same are not being sent to the members
Modified opinion(s) in audit report	The Auditors' Report on the Company's financial statement for the year 2022-23 is unmodified.
Separate posts of Chairperson and the Managing Director or the Chief Executive Officer	The Company has separate post of Chairperson and MD/CEO
Reporting of internal auditor	The Internal Auditor reports to Chairperson & Managing Director and has direct access to the Audit Committee.

CODE OF CONDUCT DECLARATION

In terms of Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the affirmations provided by the Directors and Senior Management Personnel of the Company to whom Code of Conduct is made applicable, it is declared that the Board of Directors and the Senior Management Personnel have complied with the Code of Conduct for the year ended March 31, 2023.

For Sky Industries Limited

Date: May 16, 2023
Place: **Mumbai**

Sd/-
Shailesh S Shah
Managing Director
DIN:00006154

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification

(Pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

We hereby certify that:

- A. We have reviewed Financial Statements and the cash flow statement for the Financial Year ended March 31, 2023 and to the best of our knowledge and belief:
- i.) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii.) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent or illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee:
- i.) There have been no significant changes in the above-mentioned internal controls over financial reporting during the relevant period;
 - ii.) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements and
 - iii.) We have not noticed any significant fraud particularly those involving the management or an employee having a significant role in the Company's internal control system over Financial Reporting.

For Sky Industries Limited

Sd/-

Shailesh S Shah

Managing Director

DIN: 00006154

Sd/-

Maikal Raorani

Whole Time Director & CFO

DIN: 00037831

Date: May 16,2023

Place: Mumbai

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
SKY INDUSTRIES LIMITED
 (CIN: L17120MH1989PLC052645)
 C-58 TTC Indl Area,
 Thane Belapur Road,
 Pawane Navi Mumbai,
 Mh 400705 IN

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **SKY INDUSTRIES LIMITED** having CIN: L17120MH1989PLC052645 and having registered office at C-58 TTC Indl Area, Thane Belapur Road, Pawane Navi Mumbai, Mh 400705 IN produced before me by the Company for the purpose of issuing this certificate, in accordance with Regulation 34(3) read with Sub-clause 10(i) Para C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority :

Sr. No.	Name of the Director	DIN	Date of appointment in Company	Designation
1	SHARAD SURYAKANT SHAH	00006114	12/10/1993	Executive Director
2	SHAILESH SURYAKANT SHAH	00006154	01/01/1993	Executive Director-MD
3	MAIKAL BHUPENDRA RAORANI	00037831	06/12/2017	Executive Director
4	NITIN ARVIND OZA	03198502	22/10/2022	Non-Executive - Independent Director
5	LOKANATH SURYANARAYAN MISHRA	03364948	08/07/2020	Non-Executive - Independent Director
6	AMARENDRA MOHAPATRA	03609521	27/07/2018	Non-Executive - Independent Director
7	VAIBHAV JAY DESAI	06673723	27/09/2013	Executive Director
8	SANGHAMITRA SARANGI	08536750	14/08/2019	Non-Executive - Independent Director

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on this based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Ramesh Chandra Mishra & Associates,

Sd/-

Ramesh Mishra

Membership No.: 5477 CP No.: 3987

PR No. 1133/2021

UDIN: F005477E000312454

Place: Mumbai

Date: May 08, 2023

Auditors' Certificate on Corporate Governance

To,
The Members of
SKY INDUSTRIES LIMITED.
C-58 TTC INDL AREA THANE BELAPUR ROAD
PAWANE NAVI MUMBAI MH 400705 IN

We, Ramesh Chandra Mishra and Associates, Company Secretary being Practicing Company Secretaries of **SKY INDUSTRIES LIMITED** ('the Company') have examined the compliance of conditions of corporate governance as stipulated in regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended with respect to Corporate Governance for the year ended March 31, 2023 as.

With reference to compliance of the regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") we say the company has duly complied the same.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has internally and for better management has complied the conditions of Corporate Governance in line with applicable SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the rules made thereunder, each as amended on Corporate Governance.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Thanking You,

For Ramesh Chandra Mishra & Associates,

Date: May 16,2023
Place: Mumbai

Sd/-
Ramesh Chandra Mishra
Practicing Company Secretary
Membership No.: - F5477
CP No.: - 3987
Peer Review certificate No: -1133/2021.
UDIN NO: F005477E000312707

FINANCIALS & AUDITORS REPORT



Independent Auditor's Report

To the Members of Sky Industries Limited

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of Sky Industries Limited ('the Company'), which comprise the Balance Sheet as at 31st March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and statement of cash flows for the year then ended, and notes to financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 on the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit, other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SA's) specified under section 143(10) of the Act. Our responsibilities under those SA's are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by The Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How the matter was addressed in our audit
<p>Revenue Recognition</p> <p>Revenue from sale of goods is recognized when control of the products being sold is transferred to the customer and when there are no longer any unqualified obligations. The performance obligations in the contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.</p>	<p>Our audit procedures included :</p> <ul style="list-style-type: none"> • We assessed the appropriateness of the revenue recognition accounting policies, including those relating to rebates and discounts by comparing with applicable accounting standards • We performed substantive testing by selecting samples of revenue transactions recorded during the year by verifying the underlying documents, which included goods dispatch notes and shipping documents

Key Audit Matter	How the matter was addressed in our audit
<p>Revenue is one of the key profit drivers and is therefore susceptible to misstatement. Year-end cut-off is the key assertion in so far as revenue recognition is concerned, since an inappropriate cut-off can result in material misstatement of results for the year.</p> <p>Revenue is measured at fair value of the consideration received or receivable, after the deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provisions for discounts and rebates. Revenue is only recognized to the extent that it is highly probable a significant reversal will not occur.</p>	<ul style="list-style-type: none"> • We performed cut-off testing for samples of revenue transactions recorded before and after the financial year end date by comparing with relevant underlying documentation, which included goods dispatch notes and shipping documents, to assess whether the revenue was recognized in the correct relevant period. • We tested the design, implementation and operating effectiveness of controls over the calculations of discounts and rebates • We assessed manual journals posted to revenue to identify unusual items.
<p>Provision for taxation and other significant provisions</p> <p>Accrual for tax and other contingencies requires the management to make judgements and estimates in relation to the issues and exposures arising from a range of matters relating to direct tax, indirect tax, claims and other eventualities arising in the regular course of business</p> <p>The key judgements lies in the estimations of the provisions where they may differ from the future obligations. By nature, provision is difficult to estimate and includes many variables.</p>	<p>Our audit procedures included :</p> <ul style="list-style-type: none"> • We tested the effectiveness of controls around the recognition of provisions • We used our subject matter experts to assess the value of material provisions in light of the nature of the exposures, applicable regulations and related correspondence with the authorities. • We challenged the assumptions and critical judgements made by the management which impact their estimate of the provisions required, considering judgments previously made by the authorities in the relevant jurisdictions or any relevant opinions given by the Company's advisors and assessing whether there was an indication of management bias. • We discussed the status in respect of significant provisions with the Company's internal tax team as well. • We performed retrospective review of management judgements relating to accounting estimate included in the financial statement of prior year and compared with the outcome.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Director's Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statements made by management and Board of Directors.
- Conclude on the appropriateness of management's and Board of Director use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events

or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the order to the extent applicable.
3. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The balance sheet, the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flow dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act;
 - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations (if any) as at March 31, 2023 on its financial position in its financial statements - Refer Note 32 to the financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund;
 - iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (iv) (a) and (iv) (b) contain any material misstatement.
- v. The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.

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

Sd/-
Champak K. Dedhia

Place: Mumbai
Date :16th May, 2023

Partner
Membership No: 101769
UDIN: 23101769BGTPSY3902

Annexure - A to the Independent Auditors' Report on the Financial Statements of the Company

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2023, we report that:

i. Property, Plant and Equipment:

- a. (A) The Company has maintained proper records, showing full particulars including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records, showing full particulars of intangible assets.
- b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a phased program for physical verification of the property, plant and equipment of the company to cover all locations. In our opinion and as confirmed by the management regular physical verification of property, plant & equipment is not consistently performed however the same would not have any material impact on the financial statements as a whole.
- c. According to the information and explanation given to us and on the basis of our examination of the records of the Company the title deeds of immovable properties are held in the name of the Company.
- d. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant & Equipment or Intangible assets or both during the year.
- e. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii. Inventory:

- a. The inventory, except those lying with third parties and in transit, has been physically verified

by the management at regular intervals, which we consider to be reasonable and coverage as followed by the management were appropriate. The discrepancies noticed during the physical verification of inventories as compared to book records were not material and have been property dealt with in the books of account.

- b. According to information and explanation given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.

iii. Loans and Advances granted:

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to Companies, firms, limited liability partnerships or any other parties during the year and therefore clause 3(iii) of the Order is not applicable.

iv. Compliances with Sections 185 and 186 in case of loans, investments, guarantees and security:

According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013. In respect of investments made by the Company, in our opinion the provisions of Section 186 of the Companies Act, 2013 have been complied with.

v. Deposits:

The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

vi. Cost Records:

In our opinion and according to the information and explanation give by the management, the Central

Government has not prescribed maintenance of cost records under sub section (1) of Section 148 of the Act, for any of the activities carried on by the Company.

The maintenance of cost records is not applicable to the Company as confirmed by the Management.

vii. Statutory Dues:

According to the information and explanations given to us, in respect of statutory dues:

a. The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employee's State Insurance, Income-Tax, Custom Duty, Cess, Goods and Service Tax and other material statutory dues applicable to it to the appropriate authorities.

c. Details of statutory dues which have not been

deposited as on March 31, 2023 on account of disputes are given below:

Name of the statute	Nature of dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where the dispute is pending
Navi Mumbai Municipal Corporation	Property Tax	65.62	Various Years	High Court Of Bombay
Income Tax Act, 1961	Tax Deducted at Source	2.90	Various Years	TDS CPC

viii. Income tax Assessment:

According to the information and explanations given to us and on the basis of our examination of the records, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

ix. Dues To Financial Institutions/Banks:

- According to the information and explanations given to us and on the basis of our examination of the records, the Company has not defaulted in the repayment of loans or borrowings or in the payment of interest during the year.
- According to the information and explanations given to us and on the basis of our examination of the records, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- According to the information and explanations given to us and on the basis of our examination of the records, the Company has applied the term loans for the purpose for which they were obtained.
- According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that funds raised on short term basis has not been utilized for long term purposes.

- There were no undisputed amounts payable in respect of Provident Fund, Employee's State Insurance, Income-Tax, Custom Duty, Cess, Goods and Service Tax and other material statutory dues in arrears as at March 31, 2023, for a period of more than six months from the date they become payable except the following:

Name of the statute	Nature of dues	Amount (Rs. in lakhs)	Period to which the amount relates
Navi Mumbai Municipal Corporation	Cess	26.48	Various Years

- e. The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Companies Act, 2013) during the year ended March 31, 2023. Accordingly, clause 3(ix)(e) is not applicable.
- f. The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Companies Act, 2013) during the year ended March 31, 2023. Accordingly, clause 3(ix)(f) of the Order is not applicable.

x. Application of Initial Public Offer

- a. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, paragraph 3(x)(a) of the Order is not applicable.
- b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, preferential allotment of equity shares made by the Company during the year against share warrants issued in previous years, is in compliance with the requirements of Section 42 of the Companies Act, 2013. The amounts raised have been used for the purposes for which they were raised.

xi. Frauds:

- a. Based upon the audit procedures performed and according to the information and explanations given to us by the management, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company by its officers/employees has been noticed or reported during the course of the audit.
- b. In the absence of any fraud, there is no requirement to submit ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government.
- c. During the year under audit we have not received any complaints under whistle blower mechanism.

xii. Nidhi Companies:

In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. Compliances with Sections 177 and 188 in case of transactions with related parties:

According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

xiv. Internal Audit:

- a. Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- b. We have considered the internal audit reports of the Company issued till date for the period under audit.

xv. Compliances with Sections 192 in case of non-cash transactions with Directors:

In our opinion and according to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. Registration with RBI:

- a. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- b. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- c. The Company is not the Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- d. Accordingly to the information and explanations provided to us during the course of the audit,

Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

xvii. Cash Losses:

The Company has not incurred any cash losses during the year under audit and in the immediately preceding financial year, hence clause 3 (xvii) of the Order is not applicable.

xviii. Resignation of Statutory Auditor:

There has been no resignation of the statutory auditors during the year and accordingly clause 3 (xviii) of the Order is not applicable.

xix. Financial Viability:

According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exist as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we

neither give any guarantee or any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

xx. Corporate Social Responsibility:

There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

xxi. Consolidated Financial Statements:

The Company is not having any subsidiaries or Joint Venture or associate and hence not required to prepare consolidated financial statements. Accordingly, clause 3 (xxi) of the Order is not applicable.

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

Place: Mumbai
Date: 16th May, 2023

Sd/-
Champak K. Dedhia
Partner
Membership No: 101769
UDIN: 23101769BGTPSY3902

Annexure - B to the Auditors' Report

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

Opinion

We have audited the internal financial controls over financial reporting of **Sky Industries Limited** ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by The Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We have conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the

"Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by The Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and

directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management, override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal

financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For CGCA & Associates LLP

Chartered Accountants
Firm Regn No.: 123393W

Sd/-

Champak K. Dedhia

Partner

Place: Mumbai

Date: 16th May, 2023

Membership No: 101769
UDIN: 23101769BGTPSY3902

BALANCE SHEET AS AT MARCH 31, 2023

(Rs. In lakhs)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	1,043.51	1,095.71
Capital work-in-progress	3A	16.76	16.76
Intangible assets	3B	0.75	0.19
Intangible assets under development	3C	6.72	-
Right-of-use assets	3D	99.63	-
Financial assets			
Investments	4	401.69	367.30
Others	5	30.58	11.70
Other non-current assets	6	16.79	5.59
		1616.43	1,497.25
Current assets.			
Inventories	7	2,180.39	1,938.52
Financial assets			
Investments	4B	284.29	272.45
Trade receivables	8	1,228.13	1,207.91
Others	9	25.53	42.49
Cash and cash equivalents	10	26.99	11.67
Bank balances other than cash and cash equivalents	11	99.96	119.57
Other current assets	12	468.50	595.65
		4,313.78	4,188.27
		5930.21	5,685.52
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	785.98	684.98
Other equity	14	2848.06	2,602.93
		3634.05	3,287.92
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	15	33.25	96.39
Lease liabilities	3D	59.99	-
Others	16	1.75	1.75
Provisions	17	11.90	16.48
Deferred Tax Liabilities (Net)	18	85.36	87.79
		192.25	202.40
Current liabilities			
Financial liabilities			
Borrowings	19	1,242.73	1,298.10
Lease liabilities	3D	44.22	-
Trade payables	20		
Total outstanding dues of micro enterprises and small enterprises		37.63	2.60
Total outstanding dues of creditors other than micro enterprises and small enterprises		594.02	739.36
Other financial liabilities	21	15.29	11.46
Other current liabilities	22	136.79	108.11
Provisions	23	33.25	35.57
		2,103.92	2,195.20
		5930.21	5,685.52

As per our report attached
For **CGCA & Associates LLP**

Chartered Accountants
Firm Reg. No. :123393W

Sd/-
Champak K Dedhia
Partner
Membership No.101769
Mumbai, Dated: 16/05/2023
UDIN: 23101769BGTSPSY3902

For and on behalf of the Board of Directors of
Sky Industries Limited

Sd/-
Shailesh Shah
Managing Director
DIN: 00006154

Sd/-
Maikal Roarani
Director & CFO
DIN: 00037831

Sd/-
Sharad Shah
Director
DIN: 00006114

Sd/-
Priyal Ruparelia
Company Secretary
M. No. 71040

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2023

(Rs. In lakhs)

Particulars	Note	Year ended March 31, 2023	Year ended March 31, 2022
Income			
Revenue from operations	24	7,492.09	7,024.54
Other income	25	31.48	85.93
Total Income		7,523.58	7,110.46
Expenses			
Cost of materials consumed	26	5,159.78	4,659.01
Purchase of Stock In Trade		496.05	406.12
Changes in inventories of finished goods	27	(394.16)	(478.75)
Employee benefits expenses	28	557.18	489.95
Finance costs	29	159.64	126.29
Depreciation and amortisation expense	30	123.83	115.31
Depreciation on Right of Use Assets	30	45.98	73.69
Other expenses	31	1,141.61	1,061.98
Total Expenses		7,289.90	6,453.61
Profit before exceptional items and tax		233.67	656.85
Exceptional items - (Gain) / Loss	32	-	-
Profit before tax		233.67	656.85
Tax expense / (credit)	43		
- Current tax		58.55	163.59
- Adjustments/ (Credit) related to previous years - (net)		1.35	2.50
- Deferred tax		(3.04)	3.56
		56.86	169.65
Profit after tax		176.82	487.21
Other comprehensive income (OCI)			
Items that will not be reclassified to profit and loss			
(i) Re-measurement of gains on defined benefit plans		2.39	6.43
(ii) Income tax related to above		0.60	1.62
Other comprehensive income for the year (net of tax)		1.79	4.81
Total comprehensive income / (loss) for the year		178.60	492.01
Earnings per equity share:			
34			
Basic and diluted (in Rs.)		2.27	7.62
Face value per share (in Rs.)		2.26	6.22

CORPORATE INFORMATION

1

SIGNIFICANT ACCOUNTING POLICIES

2

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

3 to 48

As per our report attached of even date

For **CGCA & Associates LLP**

Chartered Accountants

Firm Reg. No. :123393W

Sd/-

Champak K Dedhia

Partner

Membership No.101769

Mumbai, Dated: 16th May,2023

UDIN: 23101769BGTSPSY3902

For and on behalf of the Board of Directors

Sky Industries Limited

Sd/-

Shailesh Shah

Managing Director

DIN: 00006154

Sd/-

Maikal Roarani

Director & CFO

DIN: 00037831

Sd/-

Sharad Shah

Director

DIN: 00006114

Sd/-

Priyal Ruparelia

Company Secretary

M.No. 71040

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED MARCH, 2023

(Rs. In lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
A Cash flow from operating activities		
Net Profit before tax	233.67	656.85
Adjustments to reconcile profit before tax to net cash flows:		
Add: Depreciation of property, plant and equipment	123.83	115.31
Add: Amortisation of intangible assets and right of use asset	45.98	73.69
Add: Interest expense and other finance cost	148.49	106.13
Add: Finance cost on right of use asset	10.67	16.25
Add: Processing fees	0.49	3.91
Add: Share based expense	18.87	2.12
Add: Remeasurement of defined benefit liability/(asset)	-	4.81
Add: Loss on sale of property, plant and equipment	-	0.54
Less: Interest income	(4.47)	(3.16)
Less: Interest on Income Tax refund	-	(1.87)
Less: Unrealised gain on investments classified through Fair Value through Profit and Loss	(22.22)	(36.96)
Less: Interest on financial asset carried at cost	(0.92)	(1.57)
Less: Profit on sale of property, plant and equipment	(1.24)	-
Less: Gain on modification of lease	-	(12.35)
	319.48	266.86
Operating Profit Before Changes in Working Capital	553.15	923.71
Adjustment for Changes in Working Capital		
(Increase) / Decrease in Trade Receivables	(20.22)	58.86
(Increase) / Decrease in Inventories	(241.87)	(751.98)
(Increase) / Decrease in Right to Use Assets	-	199.08
(Increase) / Decrease in Other Non - Current Financial Assets	(21.08)	31.22
(Increase) / Decrease in Other Current Financial Assets	16.96	(42.49)
(Increase) / Decrease in Other Current Assets	127.15	(152.62)
Increase / (Decrease) in Trade Payables	(110.30)	76.40
Increase / (Decrease) in Other Current Financial Liabilities	3.83	4.22
Increase / (Decrease) in Other Current Liabilities	28.67	(86.05)
Increase / (Decrease) of Lease Liabilities	-	(197.24)
Increase / (Decrease) in Non Current Provisions	(2.18)	0.72
Increase / (Decrease) in Current Provisions	(2.32)	(51.48)
	(221.37)	(911.36)
Cash Generated from Operations	331.79	12.35
Less: Taxes Paid (Net of refund received)	(71.10)	(144.78)
Less: Dividend and dividend tax paid	(78.60)	(57.99)
Net cash used in operating activities	182.09	(190.42)
B Cash flow from investing activities		
Purchase of property, plant and equipment / intangible assets (including capital work-in-progress)	(79.88)	(191.01)
Sale of property, plant and equipment / intangible assets (including capital work-in-progress)	2.20	2.12
Purchase of Investments	(24.00)	(54.00)
Interest Received	4.47	5.03
Movement in other bank balances	19.62	(29.20)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Net cash generated from / (used in) investing activities	(77.60)	(267.06)
C Cash flow from financing activities		
Proceeds from /(Repayment) of Term Loan / Vehicle Loans	(63.62)	(86.37)
Repayment of Lease Liability	(48.95)	(78.85)
Increase/ (Decrease) in Working Capital facility	(55.37)	328.89
Proceeds from issue of shares and share warrants	227.25	283.70
Finance Cost	(148.49)	(106.13)
Net cash generated from financing activities	(89.18)	341.23
Net increase / (decrease) in cash and cash equivalents (A+B+C)	15.32	(116.25)
Opening balance of cash and cash equivalents	11.67	127.92
Closing balance of cash and cash equivalents	26.99	11.67
Components of cash and cash equivalents:		
Balances with banks in current accounts	18.29	8.43
Cash on hand	8.69	3.25
Cash and cash equivalents as per financial statements (Refer note 10)	26.99	11.67

Notes :

- Figures in brackets represent cash outflow.
- The above Statement of Cash Flows has been prepared under indirect method as set out in Ind AS 7, Statement of Cash Flows.

As per our report attached of even date

For **CGCA & Associates LLP**

Chartered Accountants

Firm Reg. No. :123393W

Sd/-

Champak K Dedhia

Partner

Membership No.101769

Mumbai, Dated: 16th May,2023

UDIN: 23101769BGTSPSY3902

For and on behalf of the Board of Directors

Sky Industries Limited

Sd/-

Shailesh Shah

Managing Director

DIN: 00006154

Sd/-

Maikal Roarani

Director & CFO

DIN: 00037831

Sd/-

Sharad Shah

Director

DIN: 00006114

Sd/-

Priyal Ruparelia

Company Secretary

M.No. 71040

NOTES TO FINANCIAL STATEMENT

FOR THE YEAR ENDED MARCH 31, 2023

1 CORPORATE INFORMATION

Sky Industries Limited is a Public limited incorporated and domiciled in India, under the Indian Companies Act, 1956. Its Equity shares are listed on BSE Limited. Its registered office is situated at C-58, TTC Industrial Area, Thane Belapur Road, Pawne, Navi Mumbai - 400 705.

The Company is engaged in manufacturing of "Narrow Woven Fabrics". The Company is engaged in manufacturing and marketing in various products like Hook and Loop Tape Fasteners, Value added items, Velvet tapes etc.

2 BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES

2.1) BASIS FOR PREPARATION OF ACCOUNTS

(a) Basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The financial statements are presented in INR, the functional currency of the Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency').

(b) Basis of Measurement

These financial statements are prepared under the historical cost convention unless otherwise indicated.

2.2) Key Accounting Estimates and Judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgements based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

(a) Measurement of defined benefit obligations

(b) Measurement and likelihood of occurrence of provisions and contingencies

- (c) Recognition of deferred tax assets
- (d) Measurement of Lease liabilities and Right of Use Asset (ROUA)

SIGNIFICANT ACCOUNTING POLICIES

2.3 REVENUE RECOGNITION

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

a) Sale of Goods

Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

b) Rendering of services

Revenue of services are recognized when the services are rendered.

c) Dividend

Dividend income from investments is recognised when the shareholder's rights to receive payment have been established.

d) Interest Income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

e) Export Incentives

Export incentives under various schemes are accounted in the year of Exports.

2.4 FOREIGN CURRENCY TRANSACTIONS

a) Functional and Presentation Currency

The financial statements are presented in Indian Rupee (INR), which is Company's functional and presentation currency.

b) Initial Recognition

Transactions in foreign currencies are recorded at the exchange rate prevailing on the dates of the transactions. Exchange difference arising on foreign exchange transaction settled during the year are recognized in the Statement of profit and loss of the year.

c) Measurement of foreign currency items at the Balance sheet date

Monetary assets and liabilities denominated in foreign currencies are re-translated into functional currency at the exchange rate prevailing at the end of the reporting period. Non monetary assets and liabilities that are measured based on historical cost in a foreign currency are not re-translated. Exchange differences arising out of these transaction are charged to the profit and loss.

7 PROPERTY, PLANT AND EQUIPMENTS AND INTANGIBLE ASSETS

a) Property, plant and equipment (PPE)

i) Recognition and measurement

Freehold land is carried at cost. All other items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenses directly attributable to the acquisition of the assets. The cost of an item of a PPE comprises its purchase price including import duty, and other non-refundable taxes or levies and any directly attributable cost of bringing the assets to its working condition of its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

ii) Subsequent expenditure

Expenditure incurred on substantial expansion upto the date of commencement of commercial production are capitalised. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

b) Capital Work-In-Progress And Pre-Operative Expenses During Construction Period

Capital work-in progress includes expenditure directly related to construction and incidental thereto. The same is transferred or allocated to respective Property, Plant and Equipment on their completion / commencement of commercial production.

c) Intangible assets

Intangible assets are held on the balance sheet at cost less accumulated amortisation and impairment loss if any.

2.6 IMPAIRMENT OF NON- FINANCIAL ASSETS

The Company's non-financial assets other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is an indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of time value of money and the risks specific to the CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment losses recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amount of the other assets of the CGU on a pro rata basis.

An impairment loss in respect of assets for which impairment loss has been recognized in prior periods, the Company reviews at reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

2.7 DEPRECIATION AND AMORTISATION

Depreciation is computed using Straight Line Method (SLM) over the useful lives of the assets as specified in Schedule II to the Companies Act, 2013. Lease hold land is amortised over the period of lease.

Useful lives of the items of Property, Plant and Equipment are as follows:

Asset	Estimated Useful Life
Building	30 Years
Plant & Machinery	15 Years
Furniture and Fixtures	10 Years
Vehicles	8 Years
Other equipment	6 Years

Intangible Assets are amortized over their individual estimated useful lives on a Straight Line basis, commencing from the year in which the same are available to the Company for its intended use. The useful life so determined is as follows:

Assets	Amortisation period
Software Licenses	3 Years

The management believes that the useful life as given above the best represent the period over which the management expects to use these assets.

The assets; residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Depreciation and amortization on property, plant and equipment added/disposed off during the year has been provided on pro-rata basis with reference to the date of addition/disposal.

Depreciation and amortization methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

2.8 FINANCIAL INSTRUMENTS

I. Financial Assets

a) **Classification of financial assets**

The Company classifies financial assets as subsequently measures at amortised cost, fair value through other comprehensive income or fair value through profit & loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

i) Debt instrument at amortised cost:

A 'debt Instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objectives is to hold assets for collecting contractual cash flow and
- Contractual terms of the asset give rise on specified dates to cash flow that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or cost that are an integral part of the EIR. Amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. The category generally applies to trade and other receivable.

ii) Debt instrument at fair value through other comprehensive income (FVOCI):

Assets that are held for collection of contractual cash flow and selling the financial assets, where the assets' cash flow represents solely payments of principal and interest are measuring at FVOCI, movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue or foreign exchange gains and losses which are recognised in profit and loss. When the financial assets is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the EIR method. The Company does not have any instruments classified as fair value through other comprehensive income (FVOCI).

iii) Debt instrument measured at fair value through profit and loss (FVTPL):

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/ (losses) in the period in which it arises. Interest income from these financial assets is included in other income.

iv) Equity investments:

Investment in associates are accounted using equity method.

All other equity investments which are in scope of Ind-AS 109 are measured at fair value. Equity instrument which are held for trading are classified as at FVTPL. For all other equity investments,

the Company has decided to classify the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity investments classified as FVOCI, all fair value changes on the instruments, excluding dividend, are recognized in other comprehensive income (OCI). There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of such investment.

Equity investments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss.

Costs of certain unquoted equity instruments has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

b) Initial recognition and measurement

All financial assets are recognised initially at fair value and for those instruments that are not subsequently measured at FVTPL, plus/minus transaction cost that are attributable to the acquisition of the financial assets.

Trade receivables are carried at original invoice price as the sales arrangements do not contain any significant financial component. Purchase or sales of financial assets that required delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the assets.

c) Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) primarily derecognised (i.e. removed from the Company's balance sheet) when :

- The rights to receive cash flows from the asset have expired, or
- The Company has neither transferred nor retained substantially all the risks and rewards of all the assets, but has transferred control of the assets.

When the Company has transferred its rights to receive cash flow from an asset or has entered into a pass-through arrangement, it evaluates whether it has transferred substantially all the risks and rewards of ownership. In such cases, the financial asset is derecognised. When it has neither transferred nor retained substantially all of the risks and rewards of the assets, nor transferred control of the assets, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In the case, the Company recognises and associated liability. The transferred asset and the associated liability are measured on a basis that reflect the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and maximum amount of consideration that the Company could be required to repay.

d) Impairment of financial assets

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loan, debt security, deposits, and bank balance.
- Trade Receivables

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application simplified approach does not require the Company to track change in risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivable. The provision matrix based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, historically observed default rate updated and change in the forward looking estimates are analysed.

II. Financial Liabilities and equity instruments

Debt and equity instruments issued by an entity are classified as either financial liability or as equity in accordance with substance of the contractual arrangements and the definition of a financial liability and an equity instrument.

a) Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by an entity are recognised at the proceeds received, net of direct issue costs.

b) Financial liabilities :- Classification

Financial liabilities classified as FVTPL or other financial liabilities consists of derivative financial instruments, wherein the gain/losses arising from remeasurement of these Instruments of recognized in the statements of profit and loss. Other financial liability (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

c) Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and for those instruments that are not subsequently measured at FVTPL, plus/minus transaction cost that are attributable to issue of these instruments.

d) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of the new liability. The difference in the respective carrying amounts is recognised in the statement of Profit and Loss.

III. Fair Value

The Company determines the fair value of its financial instruments on the basis of the following hierarchy

- a) Level 1 : The fair value of financial instruments quoted in active markets is based on their quoted closing price at the balance sheet date. Examples include exchange traded commodity derivatives and other financial instruments in equity and debt securities which are listed in a recognised stock exchange.
- b) Level 2 : The fair value of financial instruments that are not traded in active markets is determined by using valuation techniques using observable market data. Such valuation techniques include discounted cash flows, standard valuation models based on market parameters for interest rates, yield curves or foreign exchange rates, dealer quotes for similar instruments and use of comparable arm's length transactions. For example, the fair value of forward exchange contracts, currency swaps and interest rate swaps is determined by discounting estimated future cash flows using a risk-free interest rate.
- c) Level 3 : The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs).

2.9 INVENTORIES

Inventories are stated at the lower of cost and net realizable value.

Cost of Raw Material is determined on a First In First Out (FIFO) basis.

Packing materials are valued at cost.

Finished goods are valued at cost or net realizable value whichever is lower. Cost comprises direct materials and where applicable, direct labour costs, those overheads but excluding borrowing cost that have been incurred in bringing the inventories to their present location and condition. Cost is arrived on weighted average cost basis.

Work in Progress is valued at cost or net realizable value whichever is less. Cost comprises direct materials and appropriate portion of direct labour costs, manufacturing overheads but excluding borrowing cost that have been incurred in bringing the inventories to their present location and condition.

2.10 BORROWING COSTS

Borrowing Costs that are interest and other costs that the Company incurs in connection with the borrowings of funds and is measured with reference to the effective interest rate applicable to the respective borrowing. Borrowing costs include interest cost measured at EIR and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets, wherever applicable, till the assets are ready for their intended use. Such capitalisation is done only when it is probable that the asset will result in future economic benefits and the costs can be measured reliably. Capitalisation of borrowing cost is suspended and charged to statement when active development is interrupted.

Capitalisation of borrowing costs commences when all the following conditions are satisfied:

- i. Expenditure for the acquisition, construction or production of a qualifying asset is being incurred;
- ii. Borrowing costs are being incurred; and
- iii. Activities that are necessary to prepare the asset for its intended use are in progress.

A qualifying asset is one which necessarily takes substantial period to get ready for intended use. All other borrowing costs are charged to revenue account.

2.11 EMPLOYEE BENEFITS

a) Short term employee benefit obligations

Liabilities for wages, salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related services are recognised in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are to be settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

b) Other long term employee benefit obligations

i) Compensated absences

The liabilities for earned leave is not expected to be settled wholly within 12 months after the end of the period in which employees render the related service. Therefore they are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of reporting period using the projected unit credit method. The benefits are discounted using the market yield at the end of reporting period that have terms approximating to the terms of related obligation. Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognised in the other comprehensive income.

c) Post-employment obligations

The Company operates the following post-employment schemes:

- A. Defined benefit plans such as Gratuity
- B. Defined contribution plan such as Provident Fund

Defined Benefit Plans

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligations is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expenses in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in present value of the defined benefit obligation resulting from plan amendment or curtailments are recognised immediately in profit or loss as past service cost.

Defined Contribution Plans

The Company pays provident fund contributions to publicly administered funds as per the local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expenses when they are due. Contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payment is available.

Share Based Payments

Employees of the Company receive remuneration in the form of share-based payments in consideration of the services rendered. Under the equity settled share based payment, the fair value on the grant date of the awards given to employees is recognised as 'employee benefit expenses' with a corresponding increase in equity over the vesting period. The fair value of the options at the grant date is calculated by an independent valuer basis Black Scholes model. At the end of each reporting period, apart from the non-market vesting condition, the expense is reviewed and adjusted to reflect changes to the level of options expected to vest. When the options are exercised, the Company issues fresh equity shares.

For cash-settled share-based payments, the fair value of the amount payable to employees is recognised as 'employee benefit expenses' with a corresponding increase in liabilities, over the period of non-market vesting conditions getting fulfilled. The liability is remeasured at each reporting period up to, and including the settlement date, with changes in fair value recognised in employee benefits expenses

2.12 ACCOUNTING FOR TAXES ON INCOME

a) Income Taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in Deferred Tax Assets and Liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period i.e. as per the provisions of the Income Tax Act, 1961, as amended from time to time. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on the rates and tax laws enacted or substantively enacted, at the reporting date in the country where the Company operates and generates taxable income. Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Current tax assets and liabilities are offset only if, the Company :

- i) has legally enforceable right to set off the recognised amounts; and
- ii) Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously."

b) Deferred Taxes

Deferred tax is recognised in respect of temporary differences between the carrying amounts of the assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purpose

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences only if it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefits will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantially enacted at the reporting date.

Deferred Tax Assets and Liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and Deferred Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The carrying amount of Deferred Tax Assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the Deferred Tax Asset to be utilised. Unrecognised Deferred Tax Assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset only if, the Company :

- i) has legally enforceable right to set off the recognised amounts; and
- ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity."

2.13 PROVISIONS AND CONTINGENT LIABILITIES

a) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the

reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

b) Contingent Liability

Contingent liabilities are not provided for and if material, are disclosed by way of notes to accounts. Contingent Liability is disclosed in the case of:

- i. A present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- ii. A present obligation arising from the past events, when no reliable estimate is possible;
- iii. A possible obligation arising from the past events, unless the probability of outflow of resources is remote.

2.14 EARNING PER SHARE

a) Basic Earnings Per Share

Basic Earnings Per Share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends, if any, and any attributable distribution tax thereto for the period.

2.15 CASH AND CASH EQUIVALENTS

Cash Flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing Cash Flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments net of bank overdrafts which are repayable on demand as these form an integral part of the Company's cash management.

2.16 DIVIDEND

The Company recognises a liability for dividends to equity holders of the Company when the dividend is authorised and the dividend is no longer at the discretion of the Company. As per the corporate laws in India, a dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.17 ROUNDING OFF

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakhs, unless otherwise stated.

2.18 EVENTS OCCURRING AFTER THE REPORTING DATE

Adjusting events (that provides evidence of condition that existed at the balance sheet date) occurring after the balance sheet date are recognized in the financial statements. Material non adjusting events (that are inductive of conditions that arose subsequent to the balance sheet date) occurring after the balance sheet date that represents material change and commitment affecting the financial position are disclosed in the Directors' Report.

2.19 EXCEPTIONAL ITEMS

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

2.20 OPERATING CYCLE

All assets and liabilities have been classified as current or non-current as per each Company's normal operating cycle and other criteria set out in the Schedule III to the Act.

2.21 SEGMENT REPORTING

As the Company has only one primary business activity, Segment reporting is not applicable.

2.22 LEASES

As a lessee:

The Company recognizes a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the useful life of the asset or the balance lease term of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using

the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset shall be separately presented in the Balance Sheet and lease payments shall be classified as financing cash flows.

2.23 STANDARDS ISSUED BUT NOT YET EFFECTIVE

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2023.

3 Property, plant and equipment

Particulars	(Rs. In lakhs)							Total
	Leasehold improvements - Land	Factory Buildings	Plant and Machinery	Furniture and fixtures	Vehicles	Office equipment	Computers	
Gross block								
Balance as at 1 April 2021	41.33	236.05	867.50	49.47	104.89	32.27	13.95	1,345.46
Additions	-	-	183.97	-	9.78	2.01	3.44	199.20
Disposals / adjustments	-	-	(4.82)	-	-	-	-	(4.82)
Balance as at March 31, 2022	41.33	236.05	1,046.64	49.47	114.67	34.28	17.40	1,539.84
Additions	-	-	48.83	15.34	-	4.71	3.32	72.20
Disposals / adjustments	-	-	(0.70)	(1.95)	(9.10)	(0.78)	-	(12.52)
Balance as at March 31, 2023	41.33	236.05	1,094.76	62.88	105.58	38.21	20.72	1,599.52
Accumulated depreciation and amortisation								
Balance as at 1 April 2021	2.98	36.99	208.31	17.88	23.69	28.14	13.18	331.16
Depreciation charge	0.52	12.32	80.29	5.23	12.85	3.32	0.61	115.13
Reversal on disposals / adjustments	-	-	(2.16)	-	-	-	-	(2.16)
Balance as at March 31, 2022	3.51	49.30	286.44	23.11	36.54	31.45	13.78	444.13
Depreciation charge	0.52	12.32	87.50	5.59	13.70	1.68	2.12	123.43
Reversal on disposals / adjustments	-	-	(0.70)	(1.95)	(8.13)	(0.78)	-	(11.56)
Balance as at March 31, 2023	4.03	61.62	373.24	26.75	42.11	32.35	15.90	556.01
Net block								
Balance as at March 31, 2022	37.83	186.74	760.20	26.37	78.13	2.82	3.61	1,095.71
Balance as at March 31, 2023	37.30	174.43	721.52	36.13	63.47	5.85	4.82	1,043.51

Note:

1) Lease hold land is under varying lease arrangements for period ranging from 75 - 99 years.

3A Capital work-in-progress

Particulars	Factory Buildings	Plant & Machinery	Total
Gross block			
Balance as at 1 April 2021	16.76	8.19	24.95
Additions	-	-	-
Disposals / adjustments	-	(8.19)	(8.19)
Balance as at March 31, 2022	16.76	-	16.76
Additions	-	-	-
Disposals / adjustments	-	-	-
Balance as at March 31, 2023	16.76	-	16.76

Capital work in progress (CWIP) Ageing Schedule

Particulars	Amount in CWIP for a period of				Total
	As at March 31, 2023	Less than 1 year	1-2 years	2-3 years	
Projects in progress	-	-	-	16.76	16.76
Projects temporarily suspended	-	-	-	-	-
TOTAL	-	-	-	16.76	16.76

Particulars	Amount in CWIP for a period of				Total
	As at March 31, 2023	Less than 1 year	1-2 years	2-3 years	
Projects in progress	-	-	-	16.76	16.76
Projects temporarily suspended	-	-	-	-	-
TOTAL	-	-	-	16.76	16.76

3A(2) Disclosure of the completion schedule required for CWIP whose completion is overdue, is as under:

Particulars	To be completed in				
	As at March 31, 2023	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	-	16.76	-	-	-
Projects temporarily suspended	-	-	-	-	-
TOTAL	-	16.76	-	-	-

3B Intangible assets

Particulars	Software Licenses	Total
Balance as at April 01, 2021	1.52	1.52
Additions	-	-
Disposals / adjustments	-	-
Balance as at March 31, 2022	1.52	1.52
Additions	0.96	0.96
Disposals / adjustments	-	-
Balance as at March 31, 2023	2.48	2.48
Accumulated amortisation		
Balance as at April 01, 2021	1.15	1.15
Amortisation charge	0.18	0.18
Reversal on disposals / adjustments	-	-
Balance as at March 31, 2022	1.33	1.33
Amortisation charge	0.40	0.40
Reversal on disposals / adjustments	-	-
Balance as at March 31, 2023	1.73	1.73
Net block		
Balance as at March 31, 2022	0.19	0.19
Balance as at March 31, 2023	0.75	0.75

3C Intangible assets under development

Particulars	Software Licenses	Total
Gross block		
Balance as at April 01, 2021	-	-
Additions	-	-
Disposals / adjustments	-	-
Balance as at March 31, 2022	-	-
Additions	6.72	6.72
Transfer from CWIP	-	-
Disposals / adjustments	-	-
Balance as at March 31, 2022	6.72	6.72

Intangible assets under development Ageing Schedule

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2022					
Projects in progress	6.72	-	-	-	6.72
Projects temporarily suspended	-	-	-	-	-
TOTAL	6.72	-	-	-	6.72

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2022					
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
TOTAL	-	-	-	-	-

The Company does not have any intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan.

3D Leases

The Company has entered into lease contracts for premises to use it for commercial purpose to carry out its business operations i.e. corporate office head office. Lease agreements does not depict any restrictions / covenants imposed by the lessor. The Company also has certain leases of premises with lease terms of 12 months or less. The Company has elected to apply the recognition exemption for leases with a lease term (or remaining lease term) of twelve months or less. Payments associated with short-term leases and low value assets are recognised as an expense in Statement of Profit and Loss over the lease term.

(A) The carrying amount of right of use (ROU) assets recognised and the movements during the year

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	-	199.08
Add: Additions	145.61	122.34
Less: Depreciation	(45.98)	(73.69)
Less: Reduction on Termination of contract		(247.72)
Balance at the end of the year	99.63	-

(B) The carrying amount of lease liabilities (included under financial liabilities) and the movements during the year

a) Movement in lease liabilities

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	(0.00)	35.44
Add : Additions	142.49	54.52
Add: Accretion of interest	10.67	16.25
Less: Payments	(48.95)	(106.21)
Balance at the end of the year	104.20	(0.00)

b) Details of contractual maturities of lease liabilities on undiscounted basis

Particulars	As at March 31, 2023	As at March 31, 2022
Less than one year	51.40	-
One to two years	53.97	-
Two to five years	9.29	-
More than five years	-	-
Total	114.66	-

c) Break-up of lease liabilities on discounted basis

Particulars	As at March 31, 2023	As at March 31, 2022
Lease liabilities (current)	44.22	-
Lease liabilities (non-current)	59.99	-
	104.20	-

(C) Amount recognised in statement of profit and loss

Particulars	Year ended	
	March 31, 2023	March 31, 2022
Depreciation expense of right of use assets (Refer note 30)	45.98	73.69
Interest expense on lease liabilities	10.67	16.25
Rent expense relating to short-term lease (Refer note 31)	69.77	28.19
	126.42	118.13

(D) Other disclosures

- (i) The Company does not face a liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

4 Financial Assets - Investments**4A Financial Assets - Investments (Non Current)**

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of units	Amount	No. of units	Amount
Investments in mutual funds - Unquoted (Mandatorily measured at fair value through profit and loss)				
Investment in Mutual Funds	1,625,180	401.69	1,593,739	367.30
TOTAL	1,625,180	401.69	1,593,739	367.30
Aggregate amount of unquoted investments - At fair value through profit and loss	1,625,180	401.69	1,593,739	367.30
Aggregate value/ market value of quoted investments	-	-	-	-
Aggregate value/ market value of unquoted investments	1,625,180	401.69	1,593,739	367.30
Aggregate amount of impairment in value of investments	-	-	-	-
	1,625,180	401.69	1,593,739	367.30

4B Financial Assets - Investments (Current)

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of units	Amount	No. of units	Amount
Investments in mutual funds - Unquoted (Mandatorily measured at fair value through profit and loss)				
Investment in Mutual Funds	929,741	284.29	929,741	272.45
	929,741	284.29	929,741	272.45
Aggregate amount of unquoted investments - At fair value through profit and loss	929,741	284.29	929,741	272.45

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of units	Amount	No. of units	Amount
Aggregate value/ market value of quoted investments	-	-	-	-
Aggregate value/ market value of unquoted investments	929,741	284.29	929,741	272.45
Aggregate amount of impairment in value of investments	-	-	-	-
	929,741	284.29	929,741	272.45

5 Financial Assets - Others (Non-Current)

Particulars	As at March 31, 2023	As at March 31, 2022
[Unsecured, considered good]		
Security deposits	30.58	11.70
	30.58	11.70

6 Non Current Tax Assets (Net)

Particulars	As at March 31, 2023	As at March 31, 2022
Income Tax Asset [Net of Provision Rs. 164.80 Lakhs (Rs. 224.13 Lakhs)]	16.79	5.59
	16.79	5.59

7 Inventories (Valued at lower of cost or net realisable value)

Particulars	As at March 31, 2023	As at March 31, 2022
Raw Materials	602.13	748.10
Work in Progress	324.98	150.83
Finished Goods	1,233.06	1,013.04
Packing Material	20.22	26.55
	2,180.39	1,938.52

8 Trade receivables

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good	1,238.27	1,216.78
Less: Allowances for expected credit losses	(10.14)	(8.87)
	1,228.13	1,207.91
Trade receivables - Credit Impaired	-	-
Less: Allowances for expected credit losses	-	-
	1,228.13	1,207.91

Note:

- i. Above trade receivables includes Rs 111.07 Lakhs (Rs 136.73 Lakhs) dues from Private Companies in which any director is a director or member. Refer Note no 39 for details of related party
- ii. Refer Note - 37 for information about credit risk of trade receivables.
- iii. Refer Note - 40 for trade receivables ageing details.

9 Financial Assets - Others (Current)

Particulars	As at March 31, 2023	As at March 31, 2022
[Unsecured, considered good]		
Security deposits	25.53	42.49
	25.53	42.49

10 Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks in current accounts	18.29	8.43
Cash on hand	8.69	3.25
	26.99	11.67

11 Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Unpaid Dividend Account (Refer note i. Below)	15.29	11.46
Margin Money with Banks (Refer note ii. Below)	84.67	108.12
	99.96	119.57

Note:

- i. Unpaid dividend account includes amount which has been kept in separate earmarked accounts and no transactions except for stated purpose are done through such accounts.
- ii. Margin Money Deposit are lien marked against borrowings from Kotak Mahindra Bank.

12 Other current assets

Particulars	As at March 31, 2023	As at March 31, 2022
[Unsecured, considered good]		
Advances other than capital advances		
Advance to employees	11.82	5.46
Advance to suppliers / expenses	62.02	53.57
Others		
Balance with government authorities	362.90	516.17
Export Incentive Receivable	23.07	3.40
Prepaid expenses	8.69	17.06
	468.50	595.65

13 Equity share capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount	No. of Shares	Amount
Authorised share capital				
Equity Shares of Rs. 10/- each	15,000,000	1,500.00	15,000,000	1,500.00
Redeemable Preference Shares of Rs. 100/- each	500,000	500.00	500,000	500.00
Total Authorized Share Capital	15,500,000	2,000.00	15,500,000	2,000.00
Issued, subscribed and fully paid up shares				
Equity shares of Rs. 10 each	7,859,841	785.98	6,849,841	684.98
Total issued, subscribed and paid up share capital	7,859,841	785.98	6,849,841	684.98

a) During the year

- (i) the Company had allotted 10,10,000 fully paid up equity shares of face value of Rs. 10/- each to the following persons against 10,10,000 convertible warrants (issued in FY 2022-23) after receiving the balance amount:-

Name	Category	No of Shares	Amount per share	Amount
Shailesh S. Shah	Promoter	360,000	Rs. 30	108.00
Sharad S. Shah	Promoter	150,000	Rs. 30	45.00
Saloni Dedhia	Promoter	235,000	Rs. 30	70.50
Harini Dedhia	Non Promoter	265,000	Rs. 30	79.50

b) Reconciliation of the number of shares outstanding :

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Shares at the beginning of the year	6,849,841	684.98	5,548,745	554.87
Add: Fresh Issue of Equity Share made during the year for conversion of warrants	1,010,000	101.00	1,301,096	130.11
Less: Shares bought back during the year	-	-	-	-
Shares at the end of the year	7,859,841	785.98	6,849,841	684.98

c) Rights, Preferences and restrictions attached to shares

The company has one class of equity shares having a face value Rs. 10 /- per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders will be entitled to receive any of the remaining asset of the company in proportion to the number of equity shares held by the shareholders, after distribution of all the preferential amounts. However no such preferential amount exist currently.

d) Shareholders holding more than 5% shares each :

Name of the Shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	%	No. of Shares	%
Shailesh Shah	2,780,623	35.38%	2,420,623	35.34%
Sharad Shah	1,162,043	14.78%	1,012,043	14.77%
Saloni Dedhia	474,400	6.04%	239,400	3.49%
Harini Narendra Dedhia	530,000	6.74%	265,000	3.87%
Skay Finvest Pvt Ltd *	163,500	2.08%	163,500	2.39%
Total	5,110,566	65.02%	4,100,566	59.86%

* Beneficial ownership is of Shailesh Shah

e) Disclosure of Shareholding of Promoters is as follows:

As at March 31, 2023

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Shailesh S. Shah	2,420,623	360,000	2,780,623	35.38%	0.04%
Sharad S. Shah	1,012,043	150,000	1,162,043	14.78%	0.01%
Saloni Dedhia	239,400	235,000	474,400	6.04%	2.55%
Sangita Shailesh Shah	4,350	-	4,350	0.06%	0.00%
Skay Finvest Private Limited	163,500	-	163,500	2.08%	-0.31%
	3,839,916	745,000	4,584,916	58.33%	2.28%

As at March 31, 2022

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Shailesh S. Shah	1,830,623	590,000	2,420,623	35.34%	2.35%
Sharad S. Shah	862,043	150,000	1,012,043	14.77%	-0.77%
Saloni Dedhia	4,400	235,000	239,400	3.49%	3.41%
Sangita Shailesh Shah	4,350	-	4,350	0.06%	-0.02%
Skay Finvest Private Limited	163,500	-	163,500	2.39%	-0.56%
	2,864,916	975,000	3,839,916	56.05%	4.41%

(f) Shares reserved for issue under options

The Company recognizes compensation expense relating to share-based payments in net profit based on estimated fairvalues of the awards on the grant date. The estimated fair value of awards is recognized as an expense in the statement of profit and loss on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share options outstanding account.

14 Equity share capital

Particulars	Number of shares	Amount	Number of shares	Amount
As at April 01, 2022	6,849,841	684.98	5,548,745	554.87
Changes in equity share capital	1,010,000	101.00	1,301,096	130.11
As at March 31, 2023	7,859,841	785.98	6,849,841	684.98

Other equity

Particulars	Securities Premium	General Reserve	Retained Earnings	Share Warrants	Share options outstanding account	Total
Opening balance as at April 01, 2022	261.63	80.80	1,477.80	168.28	24.68	2,013.19
Transactions during the year						
Total comprehensive income for the year						
Profit for the year	-	-	487.21	-	-	487.21
Remeasurements gains on defined benefit plans	-	-	4.81	-	-	4.81
Transactions with owners in their capacity as owners						
Issue of equity shares under Preferential allotment	246.13	-	-	(92.53)	-	153.59
Issue of equity shares on exercise of Employee Stock Options	8.19	-	-	-	(8.19)	
Employee stock option plan expenses	-	-	0.94	-	1.18	2.12
Dividend paid for the FY 2020-21	-	-	(57.99)	-	-	(57.99)
Closing balance as at March 31, 2023	515.95	80.80	1,912.77	75.75	17.66	2,602.93
Opening balance as at April 01, 2022	515.95	80.80	1,912.77	75.75	17.66	2,602.93
Transactions during the year						
Total comprehensive income for the year						
Profit for the year	-	-	177.20			177.20

Particulars	Securities Premium	General Reserve	Retained Earnings	Share Warrants	Share options outstanding account	Total
Remeasurements gains on defined benefit plans	-	-	1.79			1.79
Transactions with owners in their capacity as owners						
Issue of equity shares under Preferential allotment	202.00			(75.75)		126.25
Employee stock option plan expenses	-	-		-	18.87	18.87
Dividend paid for the FY 2021-22			(78.60)			(78.60)
Closing balance as at March 31, 2023	717.95	80.80	2,013.17	-	36.54	2,848.45

This is the Statement of Changes in Equity referred to in our audit report of even date.

Nature and Purpose of the Reserves

Securities Premium

Securities premium addition is on account of premium on issue of shares. This reserve is utilised in accordance with the provisions of the Act.

During the year, the Company has issued 10,10,000 (13,01,096) (equity shares in total on account of conversion of share warrants as mentioned in Note 13. The securities premium collected on account of the said issue amounts to Rs 202.00 Lakhs (Rs. 254.31 Lakhs).

General Reserve

The Company has transferred a portion of Net Profits of the Company before declaring Dividends to General Reserve pursuant to the earlier provisions of the Companies Act, 1956. Mandatory transfer to General Reserve is not required under the Companies Act, 2013.

Share options outstanding account

The share options outstanding account is used to recognise the grant date fair value of options issued to employees under stock option schemes. Refer note 33.

15 Borrowings (non-current)

	As at March 31, 2023	As at March 31, 2022
Secured		
Term Loans - Banks	32.29	88.33
Term Loans - Non-Banking Financial Companies	0.96	8.06
	33.25	96.39

Notes :-

A Term Loans :

- i. Term loan from HDFC Bank Ltd. aggregating to ₹ 8.74 Lakhs (₹ 11.88 Lakhs) carries interest rate @ 8.35 % p.a. repayable in 60 equated monthly installments of ₹ 0.31 Lakhs each.
- ii. Term loan from HDFC Bank Ltd. aggregating to ₹ 8.99 Lakhs (₹ 11.65 Lakhs) carries interest rate @ 8.35 % p.a. repayable in 60 equated monthly installments of ₹ 0.31 Lakhs each.
- iii. Term loan from HDFC Bank Ltd. aggregating to ₹ 4.89 Lakhs (₹ 7.40 Lakhs) carries interest rate @ 7.30 % p.a. repayable in 36 equated monthly installments of ₹ 0.24 Lakhs each.
- iv. Emergency Credit Line Guarantee Scheme (ECLGS) loan from Kotak Mahindra Bank Ltd. aggregating to ₹ 78.32 Lakhs (₹ 125.46 Lakhs) carries interest rate @ 8% p.a. The said loan is secured by way of first and exclusive hypothecation charge on all existing and future current assets of the Company, first and exclusive charge on moveable fixed assets of the Company and first and exclusive equitable/ registered mortgage charge on immovable properties located at C57/1, C57/2 and C 58, TTC Industrial area, Thane, Belapur Road, Pawane Navi Mumbai Owned by Sky Industries Ltd.
- v. Term loan from Kotak Mahindra Prime Ltd. aggregating to Rs 2.58 Lakhs (Previous year ₹ 4.74 Lakhs) carries interest rate @ 9.5 % p.a. repayable in 60 equated monthly installments of ₹ 0.21 Lakhs each.
- vi. Term loan from Kotak Mahindra Prime Ltd. aggregating to Rs 2.58 Lakhs (Previous year ₹ 4.74 Lakhs) carries interest rate @ 9.5 % p.a. repayable in 60 equated monthly installments of ₹ 0.21 Lakhs each.
- vii. Term loan from Kotak Mahindra Prime Ltd. aggregating to Rs 2.58 Lakhs (Previous year ₹ 4.74 Lakhs) carries interest rate @ 9.5 % p.a. repayable in 60 equated monthly installments of ₹ 0.21 Lakhs each.

16 Other Financial Liabilities (Non-Current)

Particulars	As at March 31, 2023	As at March 31, 2022
Trade deposits from customers	1.75	1.75
	1.75	1.75

17 Provisions (non-current)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
Gratuity	6.94	14.81
Compensated absences	4.96	1.66
	11.90	16.48

19 Borrowings (current)

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
Loans repayable on demand (Refer Note 20.1, 20.2 & 20.3 below)	1,167.28	1,223.85
Current Maturities of Long Term Debt - Bank	68.66	68.08
Current Maturities of Long Term Debt - Non Banking Financial Company	6.79	6.17
	1,242.73	1,298.10

Note 19.1: Refer Note - 15 for information about terms of loan.

Note 19.2: The Letter of credit / Buyer's credit facility is secured by Margin Money deposit.

Note 19.3: The Bank overdraft facility from HDFC Bank is secured by way of first and exclusive hypothecation charge on the Mutual Funds of the Company.

20 Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
Due to Micro, Small and Medium Enterprises (Refer Note Below)	37.63	2.60
Total outstanding dues of creditors other than micro enterprises and small enterprises - related parties (Refer note 39)	594.02	739.36
	631.65	741.96

Note:

The identification of Micro, Small and Medium Enterprises is based on the Management's knowledge of their status. Disclosure is based on the information available with the Company regarding the status of the suppliers as defined under "The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act).

21a The disclosure pursuant to the MSMED Act for dues to micro enterprises and small enterprises as at March 31, 2023 and March 31, 2022 is as under:

Particulars	As at March 31, 2023	As at March 31, 2022
- Dues remaining unpaid to any supplier Principal	37.63	2.60
- Interest on the above	-	-
- Amount of interest paid in terms of section 16 of the MSMED Act, 2006, alongwith the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
- Amount of interest accrued and remaining unpaid	-	-
- Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act, 2006	-	-
TOTAL	37.63	2.60

21 Other financial liabilities (current)

Particulars	As at March 31, 2023	As at March 31, 2022
Unclaimed Dividend*	15.29	11.46
	15.29	11.46

* There is no amount due and outstanding to be credited to Investor Education and Protection Fund

22 Other current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Advance received from Customers	56.16	30.66
Statutory Dues	34.71	44.87
Other Payables *	45.92	32.58
	136.79	108.11

* Includes related party balances of Rs 10.99 Lakhs (Previous year ₹ 4.24 Lakhs)

23 Provisions (current)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
Gratuity	-	16.95
Compensated absences	2.03	0.75
Others Provision		
Provision for Tax (Net of Taxes Paid)		2.43
Provision for Expenses	31.22	15.44
	33.25	35.57

24 Revenue from operations

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from Contract with Customers		
Sale of Products	7,427.97	6,969.77
Sale of Services	12.95	9.93
Other operating revenues		
Export Incentives	33.14	22.84
Scrap Sales	18.04	22.00
	7,492.09	7,024.54

Notes:

- There are no adjustments to the contracted price with the customers. Accordingly, revenue from contracts with customers as recognised above is the same as contracted price.
- The entire revenue is recognised at a point in time.

25a Revenue from Contract with Customers

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from contracts with customers disaggregated based on geography		
Domestic Market	6,864.92	6,111.52
Exports	563.05	858.26
	7,427.97	6,969.77

25b Assets and liabilities related to contracts with customers

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
The following table provides information about receivables, contract assets and contract liabilities from contracts with customers		
Trade receivables	1,228.13	1,207.91
Unbilled receivables	-	-
Contract assets	-	-
Contract liabilities	-	-

25 Other income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest on financial asset carried at cost	0.92	1.57
Interest on deposits with bank	4.47	3.16
Interest on income tax refund	-	1.87
Net fair value gain on mutual fund investments	22.22	36.96
Liabilities no longer payable written back	2.13	6.11
Miscellaneous income	1.75	3.28
Net Gain on foreign currency transaction	-	20.63
Gain on lease modification	-	12.35
	31.48	85.93

26 Cost of materials consumed

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Raw materials and packing materials consumed		
Opening stock	774.65	501.41
Add: Purchases	5,007.48	4,932.24
Less : Closing stock	(622.35)	(774.65)
	5,159.78	4,659.01

27 Changes in inventories of finished goods and stock in trade

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Opening stocks:		
Finished goods	920.68	513.42
Work in progress	150.83	84.37
Stock in trade	92.36	87.34
	1,163.88	685.13
Less : Closing stock		
Finished goods	1,033.37	920.68
Work in progress	324.98	150.83
Stock in trade	199.70	92.36
	1,558.04	1,163.88
Net change in inventories	(394.16)	(478.75)

28 Employee benefits expense

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, Wages and Bonus	363.84	340.19
Directors Remuneration	143.72	118.49
Contribution to provident and other funds (Refer note 38)	8.18	4.68
Gratuity expenses (Refer note 38)	5.18	8.71
Share based payment expenses (Refer note 33)	18.87	2.12
Staff Welfare Expenses	17.39	15.75
	557.18	489.95

29 Finance costs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest expenses on:		
Borrowings	158.41	123.60
Others (Including interest on delay payment of statutory dues and vendors)	1.23	2.69
	159.64	126.29

30 Depreciation and amortisation expense

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation on property, plant and equipment (Refer Note 3)	123.43	115.13
Amortisation of intangible assets (Refer Note 3B)	0.40	0.18
Depreciation on Right of use of Assets (Refer Note 3C)	45.98	73.69
	169.81	189.00

31 Other expenses

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Power, Fuel and Utilities	241.83	204.92
Labour Charges	350.37	356.51
Lease Rent	69.77	28.19
Rates and Taxes	16.63	13.65
Repairs & Maintenance on :		
Building	6.18	36.41
Plant and Machinery	14.89	14.20
Other Repairs	30.46	29.78
Advertisement, Publicity & Sales Promotion	16.34	11.78
Insurance	9.87	13.51
Legal and Professional Fees	91.78	74.83
Commission	10.58	23.43
Freight Forwarding Charges	87.44	96.64
Travelling and Conveyance	78.97	59.52
Payment to Auditors:		
Audit Fees	3.00	6.00
Tax Matters	0.85	0.60
Other Services	2.49	0.14
CSR Donations	7.21	25.01
Bad Debt Written off	-	5.04
Impairment Allowance for doubtful debts	1.27	4.35
Net Loss on sale of Fixed Assets	-	0.54
Postage, Telephone & Courier	22.79	16.91
Printing & Stationery	11.26	9.16
Net Loss on foreign currency transaction	18.26	-
Water Charges	15.64	-
Miscellaneous expenses	33.74	30.84
	1,141.61	1,061.98

32 Contingent liabilities and capital commitments

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Contingent Liabilities:		
(a) "Property Tax towards Navi Mumbai Municipal Corporation of various years "	65.62	56.01
(b) Tax deducted at source payable	2.90	2.60

Notes:-

- (i) It is not practical for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.
- (ii) The Company does not expect any reimbursements in respect of the above contingent liabilities.
- (iii) The Company's pending litigation comprise of pending proceedings related to Property tax & TDS liability as per the Traces portal. The Management has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Management does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.
- (iv) The Honourable Supreme Court, had passed a judgement on 28 February 2019 in relation to inclusion of certain allowances within the scope of 'Basic wages' for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The Company, based on legal advice, is awaiting further clarifications in this matter in order to reasonably assess the impact on its financial statements, if any. Accordingly, the applicability of the judgement to the Company, with respect to the period and the nature of allowances to be covered, and resultant impact on the past provident fund liability, cannot be reasonably ascertained, at present.

33 Employee Stock Option Plan (ESOP)

The Members of the Company had approved the Stock Option Scheme titled ""ESOP 2018"" at the Annual General Meeting held on 14th February, 2019. This Scheme provided for conditional grant of shares at nominal value to eligible employees as determined by the Board of Directors from time to time, at the end of the vesting period.

During the FY 22-23 , the Nomination and Remuneration Committee of the Board of Directors had granted 32,700 Options to the eligible employees of the Company under the SKY ESOP Scheme, 2018 at there meeting held on April 30,2022 which the said eligible employees have accepted vide acceptance letter dated May 07,2022.

(i) Nature and characteristics of ESOP plans existed during period

Particulars	ESOP Plan 2018	ESOP Plan 2018
Scheme approval date	14th Sept, 2019	07th Sept, 2018
Grant date	30th April, 2022	30th April, 2022
Vesting requirements	1 Year employment	1 Year employment
Maximum term of options granted	3 Years	3 Years
Method of settlement [Refer note 46(b)]	Equity settled	Equity settled
Exercise price (in Rs.)	10.00	10.00
Share price on grant date (in Rs.)	87.55	85.60
Fair value of options on grant date (in Rs.)	77.06	77.06

(ii) Movement in shares options during the year

The following reconciles the shares options outstanding at the beginning and the end of the year:

ESOP Plan 2018	Year ended March 31, 2023		Year ended March 31, 2022	
	Numbers of options	Weighted average exercise price	Numbers of options	Weighted average exercise price
Balance at beginning of year	38,265	10.00	97,775	10.00
Granted during the year	32,700	-	5,800	10.00
Forfeited during the year	(2,000)	-	-	-
Exercised during the year	-	-	(61,096)	10.00
Expired during the year	(38,265)	10.00	(4,214)	10.00
Balance at the end of the year	30,700	10.00	38,265	10.00
Exercisable at the end of the year	30,700	10.00	38,265	10.00

(iii) The vesting pattern of the ESOP has been provided as below:

Year of vesting	Number of options	
	ESOP Plan 2018	Cumulative
F.Y. 2020-21	51,725	51,725
F.Y. 2021-22	51,725	51,725
F.Y. 2022-23	69,012	69,012
F.Y. 2023-24	30,700	30,700
F.Y. 2024-25	30,700	30,700
F.Y. 2024-25	30,700	30,700

Weighted average share price at the date of exercise: No options exercised during the year.

(iv) Fair value of options granted

The fair value at grant date is determined using the Black-Scholes model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Particulars	ESOP Plan 2018
Grant date	April 20, 2022
Number of options	32,700
Exercise price (in Rs.)	10
Expected Volatility (p.a.)*	90.85%
Expected time to exercise shares	3 Years
Risk free Interest rate (p.a.)	5.89%
Dividend yield	1.29%
Share price on grant date (in Rs.)	87.55
Fair value of ESOP on grant date (in Rs.)	10
Weighted average remaining contractual life of options outstanding at end of year	3 Years

*Expected volatility for fair valuation is considered as volatility of the comparable companies.

(v) Share based payment expenses / Share options outstanding account arising from employee share-based payment plans

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Share based payment expenses*	18.87	2.12
Share options outstanding account	36.54	17.66

*Including for KMPs

Share based payment expenses	Year ended March 31, 2023	Year ended March 31, 2022
Maikal Rorani	2.95	1.23
Vaibhav Desai	2.46	0.56

34 Earnings per share

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Net profit attributable to equity shareholders	176.82	487.21
Weighted average number of equity shares outstanding during the year - Basic	7,779,594	6,393,347
Weighted average number of equity shares outstanding during the year - Diluted (Refer note a below)	7,822,727	7,837,005
Basic profit per share (in ₹)	2.27	7.62
Diluted profit per share (in ₹)	2.26	6.22
Face value of share (in ₹)	10.00	10.00
a) Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares used as denominator in calculating basic earnings per share	7,779,594	6,393,347
Adjustments for calculation of diluted earnings per share:		
Employee Options	43,133	1,443,658
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	7,822,727	7,837,005

35 Capital management

The Company's objective for Capital Management is to maximise shareholder value, safeguard business continuity, and support the growth of the Company. Capital includes, Equity Capital, Securities Premium and other reserves and surplus attributable to the equity shareholders of the Company. The Company determines the capital requirement based on annual operating plans and long term and strategic investment and capital expenditure plans. The funding requirements are met through a mix of equity, operating cash flows generated and debt. The operating management, supervised by the Board of Directors of the Company regularly monitors its key gearing ratios and other financials parameters and takes corrective actions wherever necessary. The relevant quantitative information on the aforesaid parameters are disclosed in these financial statements.

Particulars	As at March 31, 2023	As at March 31, 2022
Adjusted net debt	864.75	990.78
Adjusted equity	3,634.05	3,287.92
Net debt to equity ratio	0.24	0.30

Particulars	As at March 31, 2023	As at March 31, 2022
Borrowings		
Borrowings (non-current)	33.25	96.39
Current maturities of non-current borrowings	75.45	74.25
Borrowings (current)	1,167.28	1,223.85
Gross debt	1,275.98	1,394.48
Less : Cash and bank balances		
Current Investment in Mutual Fund	(284.29)	(272.45)
Cash and cash equivalents	(26.99)	(11.67)
Bank balances other than cash and cash equivalents	(99.96)	(119.57)
Adjusted net debt	864.75	990.78
Total equity as per balance sheet	3,634.05	3,287.92
Adjusted equity	3,634.05	3,287.92

36 Financial Instruments - category and fair value hierarchy

(a) Financial instruments by category

The carrying value of financial instruments by categories as at year end is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Financial assets		
Measured at fair value through profit and loss		
Investment in mutual funds	685.98	639.76
	685.98	639.76
Measured at amortised cost		
Trade receivables	1,228.13	1,207.91
Cash and cash equivalents	26.99	11.67
Bank balances other than cash and cash equivalents	99.96	119.57
Other financial assets	30.58	11.70
	1,385.65	1,350.85
	2,071.63	1,990.60
Financial liabilities		
Measured at amortised cost		
Borrowings	1,275.98	1,394.48
Lease liabilities	-	-
Trade payables	631.65	741.96
Other financial liabilities	17.04	13.21
	1,924.67	2,149.65

Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

(b) Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable. Below are the fair value measurement hierarchy of the Company's assets and liabilities.

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs are other than quoted prices included in Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 - Inputs for assets or liabilities that are not based on observable market data (unobservable inputs).

The Financial Instruments included in Level 2 of fair value hierarchy have been valued using quotes available for similar assets and liabilities in the active market.

The financial instruments included in Level 3 of Fair Value Hierarchy have been valued using whole or in part using a valuation model based on assumptions as described below:

Costs of certain unquoted equity instruments has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

There are no transfers between any of the fair value during the year under consideration.

- (i) The following table provides the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at year end:

Particulars	As at March 31, 2023	As at March 31, 2022
Financial assets		
Level 1		
Investments in mutual funds units	685.98	639.76
	685.98	639.76

Measurement of Fair Values:

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The fair values of investment in mutual fund is the N.A.V as on the reporting date of balance sheet.
- The fair values of loans given and security deposit given is estimated by discounting cash flows using rates currently available for instruments with similar terms, credit risks and remaining maturities. Management regularly assesses a range of reasonably possible alternatives for those significant observable inputs and determines their impact on the total fair value.

37 Financial Risk Management

The Company is exposed to various financial risks majority credit risk, liquidity risk and market risk. The Company's senior management oversees the management of these risks with an objective to minimise the impact of these risks based on charters and informal policies.

(a) Market Risk:-

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

(a) (i) Market Risk - Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates primarily to the Company's borrowings, both short term and long term obligations with floating interest rates.

The Company is also exposed to interest rate risk on its financial assets that include fixed deposits (which are part of cash and bank balances) since all these are generally for short durations, there is no significant interest rate risks pertaining to these deposits

Exposure to Interest Rate Risk

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed-rate instruments		
Financial Liabilities - Borrowings	108.70	170.63
Total	108.70	170.63

Sensitivity analysis to interest rate risk

The Company doesn't account for any fixed rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

(a) (ii) Market Risk - Price Risk

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price.

Exposure to Currency risk

The Company is mainly exposed to the price risk due to its investment in equity based mutual funds. At 31st March 2023, the investments in mutual fund (at market value) amounts to ₹ 401.69 Lakhs (31st March, 2022 : ₹ 367.30 Lakhs). These are exposed to price risk.

The Company does make deposit with the banks as margin money against the borrowing facility provided by the banks. Deposit is made in fixed rate instrument. In view of this it is not susceptible to market price risk, arising from changes in interest rates or market yields which may impact the return and value of the investments.

Sensitivity analysis to price risk

A 3% movement in prices would have led to the following pre-tax impact in the statement of profit and loss.

Financial Instrument	Increase / (Decrease) in Profit			
	As at March 31, 2023		As at March 31, 2022	
	3% increase	3% decrease	3% increase	3% decrease
Investment in Mutual Funds	12.05	(12.05)	11.02	(11.02)
Total	12.05	(12.05)	11.02	(11.02)

(a) (iii) Market Risk - Currency Risk

The fluctuation in foreign currency exchange rates may have a potential impact on the statement of profit and loss and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the Company. The Company is exposed to currency risk on account of its trade payables in foreign currency. The functional currency of the Company is Indian Rupees. The Company follows a natural hedge driven currency risk mitigation policy to the extent possible

Exposure to Currency risk

The summary quantitative data about the Company's exposure to currency risk are reported to management of the Company are as follows:

Particulars	Foreign Currency	in foreign currency	
		As at March 31, 2023	As at March 31, 2022
Financial Assets			
Trade receivables	USD	1,01,305	83,761
Financial Liabilities			
Trade payables	USD	4,22,720	636,620

Sensitivity analysis to currency risk

A reasonable possible strengthening / (weakening) of the foreign currency at year end would have affected the measurement of above mentioned financial assets and financial liabilities denominated in foreign currencies and affected the equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast of sales and purchases.

Foreign Currency	Increase / (Decrease) in Profit			
	As at March 31, 2023		As at March 31, 2022	
	5% increase	5% Decrease	5% increase	5% Decrease
USD	(13.20)	13.20	(20.23)	20.23
Total	(13.20)	13.20	(20.23)	20.23

(b) Credit Risk

Credit Risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The carrying amount of Financial Assets represents the maximum credit exposure.

Trade Receivables

The Company has established a credit policy under which each new customer is analysed individually for credit worthiness before the payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, industry information, business intelligence and in some cases bank references.

Trade Receivables of the Company are typically unsecured, except to the extent of the security deposits received from the customers or financial guarantees provided by the market organizers in the business. Credit Risk is managed through credit approvals and periodic monitoring of the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company performs ongoing credit evaluations of its customers' financial condition and monitors the creditworthiness of its customers to which it grants credit terms in the normal course of business. The Company has no concentration of Credit Risk as the customer base is geographically distributed in India.

Expected credit loss for trade receivable:

The allowance for impairment of Trade receivables is created to the extent and as and when required, based upon the expected collectability of accounts receivables. On account of adoption of Ind AS 109, the Company uses lifetime Expected Credit Loss (ECL) model for assessing the impairment loss. For this purpose, the Company uses a provision matrix to compute the expected credit loss amount for trade receivables. Loss rates are based on actual credit loss experience and past trends. The provision matrix takes into account external and internal credit risk factors and historical experience / current facts available in relation to defaults and delays in collection thereof

The movement of the expected loss provision (allowance for bad and doubtful loans and receivables etc.) made by the Company are as under:

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance of expected loss provision	8.87	4.53
Add : Provisions made / (reversed)	1.27	9.39
Less : Utilisation for impairment / de-recognition	-	5.04
Closing balance	10.14	8.87

Also refer note no. 40 to Trade Receivables

Other Financial Assets

The Company maintains its Cash and Cash equivalents and Bank deposits with banks having good reputation, good past track record and high quality credit rating and also reviews their credit-worthiness on an on-going basis.

Expected credit loss on financial assets other than trade receivable:

With regards to all financial assets with contractual cash flows other than trade receivable, management believes these to be high quality assets with negligible credit risk. The management believes that the parties from whom these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible and accordingly no provision for expected credit loss has been provided on such financial assets. Break up of financial assets other than trade receivables have been disclosed on balance sheet

Company's maximum exposure to credit risk as at March 31, 2023 and March 31, 2022 is the carrying value of each class of financial assets.

(c) Liquidity Risk

Liquidity Risk is the risk that the Company will face in meeting its obligation associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach in managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Any short term surplus cash generated, over and above the amount required for working capital and other operational requirements is retained as Cash and Cash Equivalents (to the extent required).

Exposure to Liquidity Risk

The following table shows the maturity analysis of the Company's Financial Liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet Date

Particulars	As at March 31, 2023		As at March 31, 2022	
	Less than 12 months	More than 12 months	Less than 12 months	More than 12 months
Long Term Borrowings	77.35	37.27	78.10	117.61
Working Capital Loans from Banks	1,165.38	-	1,220.00	-
Trade Payables	631.65	-	741.96	-
Lease liabilities	51.40	63.26	-	-
Other Financial Liabilities	15.29	1.75	11.46	1.75
TOTAL	1,941.07	102.28	2,051.51	119.36

38 Retirement Benefits

(A) Defined benefit plan - Gratuity

The Company provides for gratuity benefit under a defined retirement scheme (the "Gratuity Scheme") as laid out by the Payment of Gratuity Act, 1972 of India covering eligible employees. The Gratuity Scheme provides for a lump sum payment to employees who have completed at least five years of service with the Company, based on salary and tenure of employment. Liabilities with regard to the Gratuity Scheme are determined by actuarial valuation carried out using the Projected Unit Cost Method by an independent actuary. The following tables set out the funded status majorly of the gratuity plans and the amounts recognized in the Company's financial statements as at March 31, 2023 and March 31, 2022.

(B) Details of defined benefit obligation and plan assets

(a) Retiring Gratuity

I Components of Employer Expenses

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Current Service Cost	5.87	6.05
Interest Cost	1.70	1.51
Actuarial (Gain)/Loss	(2.39)	(4.81)
Total Expenses/(Gain) recognized in the Profit & Loss Account	5.18	2.75

II Net Asset/ (Liability) recognized in Balance Sheet

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Present value of Funded Obligation	36.94	31.76
Fair Value of Plan Assets	30.00	-
Assets/(Liability) recognized in the Balance Sheet	6.94	31.76

III Change in Defined Benefit Obligations (DBO)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Opening Balance of Present Value of Obligation	31.76	30.80
Current Service Cost	5.87	6.05
Interest Cost	1.70	1.51
Actuarial (Gain)/Loss	(2.39)	(4.81)
Contribution Paid	(30.00)	(1.79)
Closing Balance of Present Value of Obligation	6.94	31.76

IV Changes in the Fair Value of Plan Assets

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Opening Balance of Fair Value of Plan assets of Obligation	-	-
Expected Return on Plan Assets	-	-
Interest Income	-	-
Actuarial Gain/(Loss)	-	-
Contribution by Employer	30.00	1.79
Benefit Paid	-	(1.79)
Fair Value of Plan Assets as at 31st March	30.00	-

V Actuarial Assumption

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Mortality	IALM (2012-14) Ult	IALM (2012-14) Ult
Discount Rate (Per Annum)	7.19%	7.28%
Annual Increase in Salary Costs Per Annum	5.00%	5.00%
Attrition Rate	3.00%	3.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

VI Major Categories of plan assets as a percentage of total plan assets

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Government of India Securities	0%	0%
High Quality Corporate Bonds	0%	0%
Equity Shares of listed companies	0%	0%
Gratuity Fund (LIC)	100%	0%
Insurance Company	0%	0%

VII Movement in net liability recognized in Balance Sheet

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Net Opening Liability	31.76	30.80
Contribution paid	(30.00)	(1.79)
Other Comprehensive income	(2.39)	(4.81)
P & L Charges / (Income)	7.57	7.56
Closing Net Liability	6.94	31.76

VIII Gratuity - Sensitivity Analysis

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
	Increase	Decrease	Increase	Decrease
Salary Growth Rate (1% movement)	38.45	35.61	33.04	30.63
Discount Rate (1% movement)	35.62	38.46	30.64	33.05

(C) Defined Contribution Plans

Amount recognised as expenses on account of "Contribution / Provision to and for Provident and other Funds" of Statement of Profit and Loss - ₹ 8.18 Lakhs (Previous year ₹ 4.68 Lakhs)

39 Related party disclosures:

As per Ind AS 24, 'Related Party Disclosures', disclosure of transactions with the related parties are given below:

List of related parties

A Enterprise in which Key Managerial Personnel and their relatives have significant Influence :

S. K. Ultratech Machines Private Limited
Cricketnco Apparels Private Limited

B Key Managerial Personnel / persons exercising significant influence & their relatives

i. Executive Directors :

Mr. Shailesh Shah
Mr. Sharad Shah
Mr. Vaibhav Desai
Mr. Maikal Raorani

ii. Independent Directors :

Mr. Amarendra Mohapatra
Mrs. Sanghamitra Sarangi
Mr. Lokanath Mishra
Mr. Nitin Oza

iii. Company Secretary:

Mr. Swapnil Soni (Up to March 13, 2023)

iv. Relatives of Key Managerial Personnel :

Mrs. Saloni Dedhia

Particulars	Key Managerial Personnel / persons exercising significant influence & their relatives		Enterprise in which Key Managerial Personnel and their relatives have significant Influence		Total	Total
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
PURCHASES						
S. K. Ultratech Machines Private Limited	-	-	0.18	0.05	0.18	0.05
Cricketnco Apparels Private Limited			63.81	-	63.81	-
Total	-	-	63.99	0.05	63.99	0.05
SERVICE CHARGES PAID						
S. K. Ultratech Machines Private Limited	-	-	-	0.08	-	0.08
Total	-	-	-	0.08	-	0.08
REMUNERATION*						
Shailesh Shah	60.00	60.00	-	-	60.00	60.00
Sharad Shah	36.00	24.00	-	-	36.00	24.00
Vaibhav Desai	17.19	17.69	-	-	17.19	17.69
Maikal Raorani	29.18	18.00	-	-	29.18	18.00
REMUNERATION TO COMPANY SECRETARY*						
Swapnil Soni	6.78	6.37	-	-	6.78	6.37
Total	149.14	126.06	-	-	149.14	126.06
NUMBER OF OPTIONS GRANTED (ESOP)						
Vaibhav Desai (Nos)	4000	-	-	-	4000	-
Maikal Raorani (Nos)	4800	-	-	-	4800	-
Total	8,800	-	-	-	8,800	21,802
SITTING FEES						
Amarendra Mohapatra	0.60	0.60	-	-	0.60	0.60
Sanghamitra Sarangi	0.60	0.60	-	-	0.60	0.60
Lokanath Mishara	0.60	0.60	-	-	0.60	0.60
Nitin Arvind Oza	0.20	-	-	-	0.20	-
Total	2.00	1.80	-	-	2.00	1.80

Particulars	Key Managerial Personnel / persons exercising significant influence & their relatives		Enterprise in which Key Managerial Personnel and their relatives have significant Influence		Total	Total
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
SALARY						
Saloni Dedhia	18.13	12.54	-	-	18.13	12.54
Total	18.13	12.54	-	-	18.13	12.54
NO OF SHARES ALLOTTED						
Shailesh Shah	360,000	-	-	-	360,000	-
Sharad Shah	150,000				150,000	-
Saloni Dedhia	235,000				235,000	-
Total	745,000	-	-	-	745,000	-

Particulars	Key Managerial Personnel / persons exercising significant influence & their relatives		Enterprise in which Key Managerial Personnel and their relatives have significant Influence		Total	Total
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
OUTSTANDING BALANCES						
PAYABLES/ (RECEIVABLES)						
S. K. Ultratech Machines Private Limited	-	-	(0.52)	0.06	(0.52)	0.06
Cricketnco Apparels Private Limited	-	-	(43.90)	(111.07)	(43.90)	(111.07)
Total	-	-	(44.42)	(111.01)	(44.42)	(111.01)
REMUNERATION PAYABLE						
Shailesh Shah	5.00	1.70	-	-	5.00	1.70
Sharad Shah	2.15	0.90	-	-	2.15	0.90
Vaibhav Desai	1.35	0.42	-	-	1.35	0.42
Maikal Raorani	1.68	0.01	-	-	1.68	0.01
Swapnil Soni	0.43	0.55	-	-	0.43	0.55
Total	10.61	3.57	-	-	10.61	3.57
SALARY PAYABLE						
Saloni Dedhia	0.38	0.67	-	-	0.38	0.67
Total	0.38	0.67	-	-	0.38	0.67

Notes:

- i. Related Parties has been identified by the management and relied upon by the auditors.
- ii. * Provision for contribution to gratuity fund which are made based on actuarial valuation on overall company basis are not included in remuneration to Key Management Personnel.
- iii. Amounts reported are inclusive of GST component wherever applicable

40 Ageing for Trade Receivables outstanding as at March 31, 2023 is as follows:

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - considered good	762.26	388.53	24.15	7.99	51.94	3.41	1,238.27
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable - credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
	762.26	388.53	24.15	7.99	51.94	3.41	1,238.27
Less: Allowance for doubtful trade receivables							-10.14
TOTAL							1,228.13

Ageing for Trade Receivables outstanding as at March 31, 2022 is as follows:

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - considered good	705.13	345.20	25.55	136.12	3.83	0.95	1,216.78
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable - credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
	705.13	345.20	25.55	136.12	3.83	0.95	1,216.78
Less: Allowance for doubtful trade receivables							-8.87
TOTAL							1,207.91

41 Ageing for trade payables outstanding as at March 31, 2023 is as follows:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 1 year	1-2 years	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	37.49			0.14		37.63
Total outstanding dues of creditors other than micro enterprises and small enterprises	495.50	1.52		30.55	66.46	594.02
Disputed dues of micro enterprises and small enterprises						-
Disputed dues of creditors other than micro enterprises and small enterprises						-
	532.99	1.52	-	30.69	66.46	631.65

Ageing for trade payables outstanding as at March 31, 2022 is as follows:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 1 year	1-2 years	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	2.60	-	-	-	-	2.60
Total outstanding dues of creditors other than micro enterprises and small enterprises	657.89	-	0.04	81.43	-	739.36
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	660.48	-	0.04	81.43	-	741.96

42 Corporate social responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects. A CSR committee has been formed by the company as per the Act. The funds were primarily utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Amount required to be spent as per Section 135 of the Companies Act, 2013	6.14	-
Amount of expenditure incurred		
(a) Construction/Acquisition of assets	-	-
(b) On purpose other than above	7.00	-
Excess /(Short) amount spent under section 135(5)	0.86	-
Brought forward Opening Balance Excess/(Short)	-	-
Carried forward Closing Balance Excess/(Short)	0.86	-
Nature of CSR activities is to help the needy, poor & handicapped people & their education		
Details of related party transaction in relation to CSR expenditure as per relevant Accounting Standard	NA	NA

43 Components of Tax expense / (credit)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
I. Tax expense recognised in Statement of Profit & Loss		
Current tax		
Tax expense for the year	58.55	163.59
Adjustments/ (Credit) related to pervious years - (net)	1.35	2.50
Total current tax expense	59.90	166.09
Deferred taxes		
Change in deferred tax assets	2.84	3.07
Change in deferred tax liabilities	(5.27)	(6.63)
Net deferred tax expense / (credit)	(2.44)	(3.56)
Total tax expense / (credit)	57.46	162.52
II. Tax on other comprehensive income		
Items that will not be reclassified to Profit and Loss		
Remeasurement of the Defined Benefit Plans	0.60	1.62

(a) Reconciliation of income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarised below:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit before tax	233.67	656.85
Applicable tax rate	25.17%	25.17%
Tax using the Company's domestic tax rate	58.81	165.32
Tax effect of the amounts which are not deductible / taxable in calculating taxable income		
Effect of expenses that are not deductible in determining taxable profit	4.01	7.28
Effect of Income that is exempt from tax	(0.23)	(3.50)
Effect of Expenses that are allowed at lower rate	(6.86)	-
Effect for allowances for Income Tax purpose	-	(6.99)
Other Difference	-	5.05
Total	55.72	167.15

(b) Deferred tax assets / liabilities (net)

Particulars	As At March 31, 2023	As At March 31, 2022
Deferred tax liability on account of :		
Depreciation and amortisation	91.82	95.83
Investment in mutual funds	12.97	14.24
	104.80	110.07
Deferred tax assets on account of :		
Provision for Bad Debts	2.55	2.23
Provision for Gratuity	1.75	7.99
Provision for Leave Encashment	1.76	0.61
Provision for Bonus	1.18	0.95
Cess Payable	6.67	6.67
Property tax payable	5.53	3.83
	19.44	22.28
Deferred tax assets / liabilities (net)	85.36	87.79

44 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating results of the whole Company as one segment i.e. "manufacture and trading of narrow fabrics".

Thus, as defined in Ind AS 108 'Operating Segments', the Company's entire business falls under this one operational segment and hence the necessary information has already been disclosed in the balance sheet and the statement of

profit and loss.

Thus, as defined in Ind AS 108 'Operating Segments', the Company's entire business falls under this one operational segment and hence the necessary information has already been disclosed in the balance sheet and the statement of profit and loss. Further, the entire business of the Company is within India, hence there is no geographical segment.

45 Analytical Ratios

Particulars	Numerator/Denominator	March 31, 2023	March 31, 2022	Change in %
(a) Current Ratio	Current Assets Current Liabilities	2.05	1.91	7.47%
(b) Debt-Equity Ratio	Total Debts Equity	0.35	0.42	-17.21%
(c) Debt Service Coverage Ratio	Earning available for Debt Interest + Installments	3.34	5.70	-41.41%
(d) Return on Equity Ratio	Profit after Tax Average Shareholder's Equity	5.11%	16.64%	-69.30%
(e) Inventory turnover ratio	Total Turnover Average Inventories	3.64	4.50	-19.08%
(f) Trade receivables turnover ratio	Total Turnover Average Account Receivable	6.15	5.68	8.35%
(g) Trade payables turnover ratio	Total Purchases Average Account Payable	0.72	0.58	25.16%
(h) Net capital turnover ratio	Total Turnover Net Working Capital	3.57	3.82	-6.77%
(i) Net profit ratio	Net Profit Total Turnover	2.36%	6.94%	-65.97%
(j) Return on Capital employed	Net Profit Capital Employed	7.87%	16.42%	-52.04%
(k) Return on investment	Return on Investment Total Investment	7.98%	9.30%	-14.14%

Notes:

- (c) Debt Service Coverage Ratio Variance is due to decrease in operational profit margins during the current financial year
 - (i) Net profit ratio Variance is due to decrease in operational profit margins during the current financial year
 - (j) Return on Capital employed Variance is due to decrease in operational profit margins during the current financial year
- 46 Loans given, Investments made and Corporate Guarantees given u/s 186(4) of the Companies Act, 2013 are disclosed under the respective notes.

47 Balances of Trade Receivables, Trade Payables, Advances and Deposits received / given, from / to customers are subject to confirmation and subsequent reconciliation.

48 Previous year's figures have been reclassified/regrouped, wherever applicable to confirm to current year's classification.

CORPORATE INFORMATION	1
SIGNIFICANT ACCOUNTING POLICIES	2
NOTES FORMING PART OF THE FINANCIAL STATEMENTS	3 to 48

As per our report attached of even date
For **CGCA & Associates LLP**
Chartered Accountants
Firm Reg. No. :123393W

Sd/-
Champak K Dedhia
Partner
Membership No.101769
Mumbai, Dated: 16th May, 2023
UDIN: 23101769BGTPSY3902

For and on behalf of the Board of Directors
Sky Industries Limited

Sd/-
Shailesh Shah
Managing Director
DIN: 00006154

Sd/-
Maikal Roarani
Director & CFO
DIN: 00037831

Sd/-
Sharad Shah
Director
DIN: 00006114

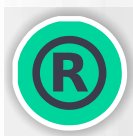
Sd/-
Priyal Ruparelia
Company Secretary
M.No. 71040

INNOVATIVE FASTENING SOLUTIONS



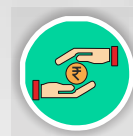
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Maharashtra, India
Tel. No.: 022-6713 7900
Email: corporate@skycorp.in
Website: www.skycorp.in



Registered Office:

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