

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

SIL/OUT/2020-21/44
November 12, 2020

To
BSE Limited
Listing Department
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai- 400001.

Scrip Code: 526479

Dear Sir/ Madam,

Sub: Outcome of the Board Meeting

Time of Commencement of the Board Meeting : 12:30 P.M.
Time of Conclusion of the Board Meeting : 02.00 P.M.

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['SEBI (LODR) Regulations'], we would like to inform you that the Board of Directors at their meeting held today have approved –

- 1) The Unaudited Financial Results for the Quarter and Half year ended September 30, 2020.
- 2) The allotment of 2,40,000 equity shares of face value of Rs.10/- each to Mr. Shailesh Shah, Promoter of the Company upon conversion of equivalent number of warrants which were allotted to him pursuant to and in terms of Shareholders Approval dated November 12, 2019. Consequent to said allotment the paid-up equity share capital of the Company stands increased to Rs. 5,10,79,690 divided into 51,07,969 equity shares of face value of Rs. 10/-each.

Accordingly, pursuant to Regulation 33 of the SEBI (LODR) Regulations please find enclosed the following:

- a) Unaudited Financial Results for the Quarter and Half year ended September 30, 2020.
- b) Limited Review Report of the Statutory Auditors.

The Results will be available on the Company's website www.skycorp.in. Further, the extract of the results will be published in the newspapers in terms of Regulation 47 of the SEBI (LODR) Regulations in due course.

We request you to kindly take the above information on record.

For **SKY INDUSTRIES LIMITED**

MAIKAL RAORANI
WHOLE TIME DIRECTOR & CFO
DIN : 00037831



Encl.: a/a



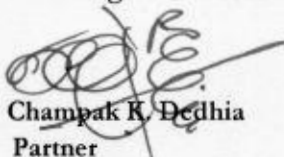
LIMITED REVIEW REPORT

To,
The Board of Directors,
Sky Industries Limited
Mumbai

Independent Auditor's report on standalone unaudited quarterly financial results and year to date results of the company pursuant to the regulation 33 of the SEBI (Listing Obligations and Disclosure requirements) Regulations 2015, (as amended)

1. We have reviewed the accompanying statement of unaudited financial results ("Statement") of **Sky Industries Limited** (the 'Company') for the quarter ended 30th September, 2020 and year to date from April 01, 2020 to September 30, 2020 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the regulation'), as amended, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. These financial statements are the responsibility of the Company's management and have been approved by the Board of Directors of the Company, and have been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on these standalone financial statements based on our review.
3. We conducted our review in accordance with the standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement, prepared in accordance with applicable Indian Accounting Standards ("Ind AS") specified under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements), 2015 as modified by SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For UKG & Associates
Chartered Accountants
Firm Reg. No.: 123393W


Champak K. Dedhia
Partner

Membership No. 101769
Mumbai, 12th November, 2020
UDIN: 20101769AAAAHR7223



(Rs. In Lacs)

Sr. No.	Particulars	Quarter ended			Period Ended		Year Ended
		30.09.2020 (Unaudited)	30.06.2020 (Unaudited)	30.09.2019 (Unaudited)	30.09.2020 (Unaudited)	30.09.2019 (Unaudited)	31.03.2020 (Audited)
1	Revenue from Operations	1,304.95	475.11	1,364.78	1,780.06	2,917.10	5,932.46
2	Other Income	7.69	10.10	5.48	17.78	29.92	3.31
	Total Income (1+2)	1,312.63	485.20	1,370.26	1,797.84	2,947.02	5,935.77
3	Expenses						
	Cost of materials consumed	570.28	287.41	877.15	857.69	1,764.99	3,169.06
	Purchases of Stock in trade	75.93	97.07	211.38	173.00	547.15	1,080.44
	Changes in inventories of finished goods, work-in-progress and stock in trade	273.13	(36.57)	(124.90)	236.56	4.80	(8.88)
	Employee Benefit Expenses	96.63	86.56	113.80	183.19	227.71	474.80
	Finance Costs	28.38	28.00	27.56	56.37	33.84	115.83
	Depreciation	51.48	51.07	38.10	102.54	83.08	209.90
	Other Expenses	145.34	90.05	199.09	235.30	401.60	776.75
	Total Expenses	1,241.16	603.58	1,342.18	1,844.74	2,883.27	5,817.90
	Profit from operations before exceptional items and tax (1+2-3)	71.48	(118.38)	28.08	(46.90)	63.75	117.87
5	Exceptional Items	-	-	-	-	-	85.69
6	Profit/Loss before tax (4-5)	71.48	(118.38)	28.08	(46.90)	63.75	31.97
7	Tax Expense						
	1. Current Tax	-	-	7.79	-	22.00	17.00
	2. Short Provision of Tax of previous year	-	(2.62)	(0.92)	(2.62)	-	3.23
	2. Deferred Tax	15.55	(28.59)	(12.59)	(13.04)	(13.51)	(17.02)
8	Net Profit / (Loss) after tax (7-8)	55.92	(89.79)	32.88	(33.87)	55.26	31.99
9	Other Comprehensive Income	-	-	-	-	-	-
10	Comprehensive Income for period	55.92	(89.79)	32.88	(33.87)	55.26	31.99
11	Paid up Equity Share Capital (Face value of Rs. 10/- each)	4,867,969	4,836,400	4,606,400	4,867,969	4,606,400	4,606,400
12	Earnings per equity share						
	1. Basic	1.15	1.80	0.71	(0.70)	1.20	0.62
	2. Diluted	1.15	1.80	0.71	(0.70)	1.20	0.61

NOTES:

- The above results have been reviewed by the Audit Committee of the Board and approved by the Board of Directors of the company at its meeting held on 12th November, 2020.
- The financial results have been prepared in accordance with the applicable accounting standards, as modified by the Companies (Indian Accounting Standards) Rules, 2015 and as specified in section 133 of the Companies Act, 2013.
- The Company mainly operates in a single primary business segment comprising of manufacture and trading of narrow fabrics, therefore disclosure requirements as per Ind AS 108, "Operating Segments" are not applicable to the Company.
- The Company has granted 1,72,462 options on February 14, 2019, to the eligible employees as the company's Employee Stock Option Plan (ESOP 2018). During the period eligible employees have exercised 31,569 options and accordingly the company has allotted 31,569 shares at Rs 10 each. As per Ind AS 102- "Share Based Payment" total charge of ESOP will be apportioned over the vesting period, accordingly the Employee Benefit Expenses includes ESOP Charge under respective period as under:

	Quarter ended			Period Ended		Year ended
	30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
ESOP Charge	255,421	255,421	511,484	510,842	511,484	2,045,936

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

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

Maar
MAIKAL RAORANI
DIRECTOR

Place : Mumbai
Dated : 12.11.2020



Annexure 1 - Statement Of Unaudited Cash Flow For The Half Year Ended September 30, 2020

Particulars	Half year ended 30.09.2020 (Unaudited)	Half year ended 30.09.2019 (Unaudited)
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) Before Tax	(46.90)	172.42
Add / (Less):- Adjustments for Non-Cash / Non-Operating Items:		
Depreciation & Amortization	102.54	51.38
Finance Cost	56.37	48.73
Interest Income	(1.73)	(2.33)
Unrealised Profit on sale of Investments	(13.49)	-
Financial Income IndAs	(1.46)	-
Advances written off	-	27.68
ESOP Expenses	5.16	1.02
Loss on sale of Assets/ Assets written off	-	1.50
Operating Profit Before Changes in Working Capital	100.48	300.41
Adjustment for Changes in Working Capital		
(Increase) / Decrease in Trade Receivables	172.32	(221.51)
(Increase) / Decrease in Inventories	298.89	153.09
(Increase) / Decrease in Loans & Advances	0.09	(0.71)
(Increase) / Decrease in Other Non - Current Financial Assets	(1.86)	(6.70)
(Increase) / Decrease in Other Non - Current Assets	-	(14.26)
(Increase) / Decrease in Other Current Assets	(6.11)	(13.10)
Increase / (Decrease) in Trade Payables	(592.46)	(174.53)
Increase / (Decrease) in Other Current Financial Liabilities	-	1.10
Increase / (Decrease) in Other Current Liabilities	102.33	(8.49)
Increase / (Decrease) of Non current Financial liabilities	(61.34)	(6.42)
Increase / (Decrease) in Non Current Provisions	3.16	2.46
Increase / (Decrease) in Current Provisions	47.39	29.41
Cash Generated from Operations	62.90	40.76
Less: Taxes Paid (Net of refund received)	6.77	(32.06)
NET CASH FLOW FROM OPERATING ACTIVITY (A)	69.67	8.70
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment & Intangible Assets	(0.82)	(78.64)
Proceeds from Sale of Property, Plant & Equipment	-	3.30
Investment in Mutual Funds	(12.00)	(12.00)
Proceeds from Sale of Investments	1.73	5.00
Investment in / (Redemption of) Fixed Deposits & Margin Money (Net)	20.37	0.13
Interest Received	-	2.53
NET CASH FLOW FROM INVESTING ACTIVITY (B)	9.28	(79.88)
C CASH FLOW FROM FINANCING ACTIVITY		
Dividend Paid	(24.34)	(23.03)
Dividend Distribution Tax Paid	-	(4.73)
Proceeds from Bank borrowing	182.74	-
Repayment of Bank borrowing	-	(7.39)
(Decrease) / Increase in Other Financial Liabilities	(45.86)	42.70
Proceeds from Issue of Share Capital	3.16	37.95
Finance Cost	(50.90)	(48.73)
NET CASH FLOW FROM FINANCING ACTIVITY (C)	64.74	(3.24)
NET CASH FLOW FOR THE YEAR (A + B + C)	143.69	(74.43)
Add: Opening Balance of Cash & Cash Equivalents	30.05	86.32
CLOSING BALANCE OF CASH & CASH EQUIVALENTS	173.74	11.89
RECONCILIATION OF CASH AND CASH EQUIVALENT		
TOTAL CASH AND BANK BALANCE AS PER BALANCE SHEET		
CASH AND CASH EQUIVALENT COMPRISES AS UNDER:		
Balance with banks in current accounts	171.54	10.40
Cash on Hand	2.20	1.49
CASH AND CASH EQUIVALENT	173.74	11.89
CASH AND CASH EQUIVALENT AT THE END OF THE YEAR	173.74	11.89

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

Maa

MAIKAL RAORANI

DIRECTOR

Place : Mumbai

Dated : 12.11.2020



Sr. No.	Particulars	As at September 30, 2020 (Unaudited)	As on March 31, 2020 (Audited)
1	ASSETS		
	Non-current assets		
A	(a) Property, Plant & Equipment	1,545.62	1,600.55
	(b) Intangible Assets	0.46	0.61
	(c) Capital Work in Progress	46.45	46.09
	(d) Financial Assets		
	(i) Investments	-	0.09
	(ii) Others	46.05	44.18
	(f) Other Non Current assets	31.79	36.22
		1,670.36	1,727.74
B	Current assets		
	(a) Inventories	1,250.91	1,549.80
	(b) Financial Assets		
	(i) Investments	74.60	49.11
	(ii) Trade Receivables	952.45	1,124.77
	(iii) Cash and cash equivalents	173.74	30.05
	(c) Bank Balance Other than above	48.55	68.92
	(e) Other Current Assets	365.74	359.63
		2,865.99	3,182.28
		4,536.35	4,910.02
2	EQUITY AND LIABILITIES		
A	EQUITY		
	(a) Equity Share capital	486.80	483.64
	(b) Other Equity	1,629.58	1,680.00
	Total Equity	2,116.38	2,163.64
B	LIABILITIES		
	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	202.84	20.10
	(ii) Other financial liabilities	253.25	314.58
	(b) Provisions	16.97	13.81
	(c) Deferred tax liabilities (net)	69.26	82.29
		542.32	430.79
C	Current liabilities		
	(a) Financial Liabilities		
	(i) Short-term borrowings	952.53	947.72
	(ii) Trade payables	551.37	1,143.83
	(iii) Other financial liabilities	5.12	5.12
	(b) Other Current Liabilities	294.04	191.70
	(c) Provisions	74.60	27.22
		1,877.65	2,315.59
		4,536.35	4,910.02

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

Maan

MAIKAL RAORANI
DIRECTOR

Place : Mumbai
Dated : 12.11.2020

