

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/2020-21/30

August 8, 2020

To

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai- 400001.

Scrip Code: 526479

Ref.: SEBI Circular No: SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020

Sub: Disclosure of Material Impact of COVID-19 pandemic under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["SEBI (LODR) Regulations"]

Dear Sir/ Madam,

Pursuant to Regulation 30 of the SEBI (LODR) Regulations and SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020, please find enclosed herewith disclosure on material impact of COVID-19 pandemic on the Company.

Kindly take the above on record.

Thanking You,

For SKY INDUSTRIES LIMITED




MAIKAL RAORANI
WHOLE TIME DIRECTOR & CFO
DIN : 00037831

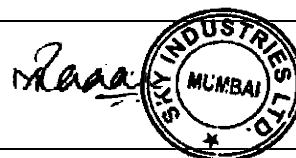
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DISCLOSURE OF MATERIAL IMPACT OF COVID-19 PANDEMIC

Sr. No.	Particulars	Disclosure(s)
1	Impact of the COVID-19 pandemic on the business	<p>The Government of India declared nationwide lockdown with effect from March 24, 2020 in order to contain the spread COVID-19 Pandemic. The country-wide lockdown and restrictions imposed by Government of India and State Governments lead to sudden stoppage of ongoing works in all the manufacturing units of the Company from March 23, 2020.</p> <p>Thereafter, basis the guidelines issued by the Ministry of Home Affairs in terms of its order no 40-3/2020-DM-I(A) dated April 15, 2020, the Company started resuming operations partially, pursuant to receipt of approvals from local administration/ authorities of respective jurisdictions. This has impacted its operations during April and May' 2020. Due to closure across the country for more than 2 months, domestic demand has suffered significantly.</p> <p>Nonetheless, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration for which it would stay. Therefore, it is not feasible at this juncture to assess the impact of COVID-19 on the performance of the Company for the current financial year i.e. 2020-21. The Company will however continue to monitor the impact of COVID-19 on its performance on a constant basis, with developments, if any in the future economic conditions.</p>
2	Ability to maintain operations including the factories/units/office spaces functioning and closed down	The Company has restarted operations in both the factories adhering to the safety norms prescribed by Government of India.
3	Schedule, if any, for restarting the operations	As communicated by the Company vide letter no. SIL/OUT/2020-21/07 April 17, 2020, the Company has started preparing for resumption of partial operations and has put in place the mandatory protocols and SOPs for all our employees as per the guidelines stipulated by the Ministry of Home Affairs of the Government

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		of India.
4	Steps taken to ensure smooth functioning of operations	The Company is following the SOPs and guidelines issued by the Government of India and respective State Governments with respect to resumption of works at its project sites and offices. The norms laid down by the Government for social distancing are being constantly monitored by the Company and strict advisory has been issued for wearing of safety masks, sanitizing and washing hands, travel guidelines, thermal scanning and is taking all kinds of preventive measures for health, hygiene, sanitation, etc. at workplace for safety and wellbeing of all workers and employees. The Company has made transport arrangements for its essential workers. Most of the employees of the Company have been advised to work from home in order to carry out their respective works and perform routine business transactions. Further, head office has been opened ensuring minimum attendance as specified by respective state authorities. Appropriate guidelines are issued to the employees in this context.
5	Estimation of the future impact of CoVID-19 on its operations	The Company is closely monitoring the emerging situation arising out of COVID-19 and resultant restrictions imposed by the regulatory authorities. It is anticipated that normalcy will return gradually in about six to eight months' time. Nevertheless, the pandemic and resultant economic restrictions will have an impact on the Company's operations and revenues in the current year. It is difficult to estimate the definitive impact of COVID-19 pandemic on the operations beyond Q1 (FY 2020-21) at this point of time. The Company will continue to closely monitor any material changes to future economic conditions.
6	Details of impact of CoVID-19 on listed entity's-	
	- Capital and financial resources	The Company's capital and Banking facilities remain intact. There are some liquidity concerns since the Company is witnessing delay in receivable collection from buyers as buyers are extending payment terms. However, the Company has looked to augment its resources to tide over the liquidity concerns.



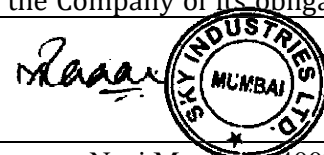
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- Profitability	<p>The Company evaluated impact of this pandemic on its financial performance with respect to financial year ended March 31, 2020 and there was significant impact for Q1 (FY 2020-21) as the operations have suffered primarily on account of the lockdown.</p> <p>The profitability is going to be largely dependent on the future business and as such since the business is in process of estimating then future revenues, at this moment of time it is difficult to precisely estimate then same. /however, the profitability is estimated to be subdued.</p>
- Liquidity Position	<p>The Company is satisfactorily tiding over the liquidity concerns and looking to raise funds to ensure sufficient liquidity in business. Certain measures of Government for helping MSME by offering a emergency credit line would help the Company in a significant way to better liquidity position.</p>
- Ability to service debt and other financing arrangements	<p>The Company has not defaulted on any of its financial commitments and has been servicing all its debt in a timely manner. Further, the company shall continue to service its future debt obligations under the various financial arrangements in a timely manner, barring any unforeseen situation arising in future.</p>
- Assets	<p>There is no major impact on the assets of the Company.</p>
- Internal financial reporting and control	<p>There is no impact on internal financial controls due to the COVID-19 situation.</p>
- Supply Chain	<p>Since the lifting of nationwide lockdown, there is minimal disruption in the supply chain. However, the Company's major manufacturing facilities are located in Navi Mumbai, and Bhiwandi, Maharashtra and the Company continues to face some disruption in supply chain due to localized lockdowns.</p>
- Demand for its products/services	<p>There is temporary reduction in demand due to lockdown but the Company sees no material demand reduction in long term.</p>
7 Existing contracts/agreements where non-fulfilment of the obligations by any	<p>The Company does not foresee any default in performance by the Company of its obligations</p>



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	party will have significant impact on the listed entity's business	envisaged in contract / agreement entered into with the Banks and Financial institutions and has adequate liquidity to meet its contractual obligations and business requirements.
8	Other relevant material updates about the listed entity's business	The COVID-19 Pandemic has significant impact on the business and operations of the Company. The Company and its management is consistently, continuously and closely monitoring any material changes to future economic conditions and align its business and operations to such developments. We would keep the Stock exchange and stakeholders informed on any material updates on the Company business.

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