

SKY INDUSTRIES LIMITED



CIN No.: L17120MH1989PLC052645

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

SKY/SE/21-22/43

October 29, 2021

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

Dear Sir/Madam

Sub: Sky Industries Limited: Outcome of the Board Meeting held on October 29, 2021

In terms of the provision of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we wish to inform that the Board of Directors of the Sky Industries Limited ("Company") at its Meeting held today i.e., October 29, 2021, *inter-alia*, considered & approved the Unaudited Financial Results of the Company for the Second Quarter & Half Year ended on September 30, 2021.

The said Unaudited Financial Results along with the Limited Review Report of the Statutory Auditors of the Company for the said period are enclosed herewith in terms of Regulation 30 & 33 of Listing Regulations.

The Meeting of Board of Directors of the Company commenced at 12.00 Noon and concluded at 01:05 P.M.

We request you to take the above information on record.

Thanking you

Yours faithfully
For SKY INDUSTRIES LIMITED

MAIKAL RAORANI
WHOLE TIME DIRECTOR & CFO
DIN: 00037831



Encl.: a/a



CGCA & Associates LLP
CHARTERED ACCOUNTANTS

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

LIMITED REVIEW REPORT

To,
Board of Directors,
Sky Industries Limited
Mumbai

We have reviewed the accompanying statement of unaudited financial results ("Statement") of **Sky Industries Limited** (the "Company") for the quarter ended 30th September, 2021 and year to date from 1st April, 2021 to 30th September, 2021 attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (the "Listing Regulations").

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

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

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

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

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

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

Champak K. Dedhia
Partner
Membership No. 101769
Mumbai, 29th October, 2021
UDIN: 21101769AAABIS4192



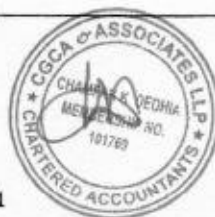
907 Kohinoor Square, 9th Floor, B Wing, NC Kelkar Road, RG Gadkari Chowk, Dadar West, Mumbai - 28, India
Tel : +91 22 4042 2400, Email : info@cgcaindia.com

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

Sr. No.	Particulars	As on	As on
		September 30, 2021	March 31, 2021
		(Un Audited)	(Audited)
1	ASSETS		
	Non-current assets		
A	(a) Property, Plant & Equipment	1,064.49	1,014.30
	(b) Intangible Assets	0.28	0.37
	(c) Capital Work in Progress	16.76	24.95
	(d) Right of use of Assets	260.66	199.08
	(e) <u>Financial Assets</u>		
	(i) Investments	34.17	26.29
	(ii) Others	49.30	42.92
	(f) Other Non Current assets	5.56	31.70
		1,431.23	1,339.61
B	Current assets		
	(a) Inventories	1,692.67	1,186.54
	(b) <u>Financial Assets</u>		
	(i) Investments	587.45	522.51
	(ii) Trade Receivables	1,258.43	1,266.77
	(iii) Cash and cash equivalents	14.15	127.92
	(c) Bank Balance Other than above	151.17	90.38
	(e) Other Current Assets	558.41	443.03
		4,262.29	3,637.15
		5,693.51	4,976.76
2	EQUITY AND LIABILITIES		
A	EQUITY		
	(a) Equity Share capital	678.87	554.87
	(b) Other Equity	2,344.77	2,013.19
	Total Equity	3,023.64	2,568.07
B	LIABILITIES		
	Non-current liabilities		
	(a) <u>Financial Liabilities</u>		
	(i) Borrowings	151.76	182.76
	(ii) Lease Liabilities	175.74	162.30
	(iii) Other financial liabilities	1.25	1.25
	(b) Provisions	15.76	15.76
	(c) Deferred tax liabilities (net)	85.34	84.23
		429.85	446.30
C	Current liabilities		
	(a) <u>Financial Liabilities</u>		
	(i) Short-term borrowings	1,173.81	969.21
	(ii) Trade payables	678.29	665.55
	(iii) Other financial liabilities	7.25	7.24
	(iv) Lease Liabilities	88.80	35.44
	(b) Other Current Liabilities	168.90	194.16
	(c) Provisions	122.97	90.78
		2,240.02	1,962.39
		5,693.51	4,976.76

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

Place : Mumbai
Dated : 29.10.2021



Shailesh S Hah

SHAILESH S HAH
DIRECTOR
DIN:- 00006154

SKY INDUSTRIES LIMITED
Registered Office : C-58, TTC Industrial Area, Thane Belapur Road, Navi Mumbai - 400 705
CIN : L17120MH1989PLC052645
Unaudited Financial Results for the quarter and year ended 30th September 2021

(Rs. in Lacs)

Sr. No.	Particulars	Quarter ended			Period Ended		Year Ended
		30.09.2021	30.06.2021	30.09.2020	30.09.2021	30.09.2020	31.03.2021
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Revenue from Operations	1,935.18	1,502.58	1,304.95	3,437.77	1,780.06	5,340.38
2	Other Income	22.85	19.66	7.69	42.51	17.78	42.69
	Total Income (1+2)	1,958.04	1,522.24	1,312.64	3,480.28	1,797.84	5,383.06
3	Expenses						
	Cost of materials consumed	1,480.14	929.71	570.28	2,409.85	857.69	3,002.48
	Purchases of Stock in trade	125.53	129.08	75.93	254.61	173.00	395.41
	Changes in inventories of finished goods, work-in-progress and stock in trade	(313.57)	(92.17)	273.13	(405.74)	236.56	262.41
	Employee Benefit Expenses	123.34	113.35	96.63	236.69	183.19	424.35
	Finance Costs	35.33	28.57	28.38	63.90	56.37	115.20
	Depreciation	56.47	51.06	51.48	107.53	102.54	205.95
	Other Expenses	280.21	211.68	145.34	491.89	235.39	744.91
	Total Expenses	1,787.45	1,371.28	1,241.17	3,158.73	1,844.74	5,150.71
	Profit from operations before exceptional items and tax (1+2-3)	170.59	150.96	71.47	321.55	(46.90)	232.35
4	Exceptional Items	-	-	-	-	-	92.05
5	Profit/(Loss) before tax (4-5)	170.59	150.96	71.47	321.55	(46.90)	140.30
7	Tax Expense						
	1. Current Tax	45.06	37.70	-	82.76	-	60.54
	2. Short Provision of Tax of previous year	-	2.50	-	2.50	(2.62)	(2.09)
	3. Deferred Tax	0.60	0.51	15.55	1.11	(13.04)	1.94
8	Net Profit / (Loss) after tax (7-8)	124.94	110.25	55.92	235.19	(31.24)	79.91
9	Other Comprehensive Income	-	-	-	-	-	-
10	Comprehensive Income for period	124.94	110.25	55.92	235.19	(31.24)	79.91
11	Paid up Equity Share Capital (Face value of Rs. 10/- each)	67,88,745	57,98,745	48,67,969	67,88,745	48,67,969	55,48,745
12	Earnings per equity share						
	1. Basic	1.97	1.95	1.15	3.92	(0.70)	1.61
	2. Diluted	1.64	1.84	1.15	3.16	(0.70)	1.56

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 29th October, 2021.
- The financial results have been prepared in accordance with the applicable accounting standards, as modified by the Companies (Indian Accounting Standards) Rules, 2015 and as specified in section 133 of the Companies Act, 2013.
- The Company mainly operates in a single primary business segment comprising of manufacture and trading of narrow fabrics, therefore disclosure requirements as per Ind AS 108, "Operating Segments" are not applicable to the Company.
- During the half year ended 30th September, 2021, the Company has allotted 12,40,000 equity shares on conversion of share warrants.
- Other Comprehensive income represents remeasurement of defined benefit obligation.
- Pursuant to the Company's Employee Stock Option Plan (ESOP 2018), Stock Options convertible into 1,72,462 equity shares of Rs.10/- each were granted to the eligible employees on February 14, 2019 at exercise price of Rs.10/-. Out of the options granted 18,684 options have lapsed. Out of the Options granted, 92,267 Options were vested as at 30th September, 2021. Against the vested Options, 72,345 equity shares of Rs.10/- each were allotted pursuant to exercise of Options. As per Ind AS 102- "Share Based Payment" total charge of ESOP will be apportioned over the vesting period, accordingly the Employee Benefit Expenses includes ESOP Charge under respective period as under:

	Quarter ended			Year ended		
	30.09.2021	30.06.2021	30.09.2020	30.09.2021	30.09.2020	31.03.2021
ESOP Charge	27,129	50,736	2,55,421	77,865	5,10,842	10,91,717

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

Place : Mumbai
Dated : 29.10.2021

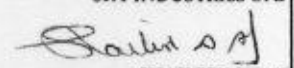


For and on behalf of Board of directors of
SKY INDUSTRIES LTD

Shailesh Shah
SHAILESH SHAH
DIRECTOR
DIN:- 00006154

Annexure I - Statement Of Cash Flow For The Period Ended 30th September 2021

Particulars	As on Sept.	As on Sept.	As on March
	30, 2021	30, 2020	31, 2021
	(Un Audited)	(Un Audited)	(Audited)
A			
CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit Before Tax	321.55	(46.90)	140.30
Add / (Less)- Adjustments for Non-Cash / Non-Operating Items:			
Depreciation & Amortization	107.53	102.54	205.95
Finance Cost	50.75	56.37	104.17
Interest Income	(1.62)	(1.73)	(2.48)
Interest on Income Tax Refund	(1.87)	-	(0.13)
Unrealised (Gain) / Loss on Investments classified through FVTPL	(30.82)	(13.49)	(33.72)
Financial Income - IndAS	(1.06)	(1.46)	(2.94)
Loss on sale of Assets/ Assets written off	-	-	96.02
Finance Cost - IndAS	11.20	-	7.12
Processing fees - IndAS	1.95	-	3.91
Profit on cancellation of lease (IndAS)	-	-	(0.30)
Remeasurement of defined benefit liability/(asset)	-	-	8.05
ESOP Expenses	0.78	5.16	10.92
Operating Profit Before Changes in Working Capital	458.39	100.48	536.88
Adjustment for Changes in Working Capital			
(Increase) / Decrease in Trade Receivables	8.33	172.32	(141.99)
(Increase) / Decrease in Inventories	(506.13)	298.89	363.26
(Increase) / Decrease in Loans & Advances	-	0.09	-
(Increase) / Decrease in Right to Use Assets	(61.58)	-	(101.49)
(Increase) / Decrease in Other Non - Current Financial Assets	(6.38)	(1.86)	1.26
(Increase) / Decrease in Other Non - Current Assets	-	-	-
(Increase) / Decrease in Other Current Assets	(115.38)	(6.11)	(83.31)
Increase / (Decrease) in Trade Payables	12.74	(592.46)	(478.28)
Increase / (Decrease) in Other Current Financial Liabilities	0.01	-	2.12
Increase / (Decrease) in Other Current Liabilities	19.46	102.33	(57.96)
Increase / (Decrease) of Non current Financial liabilities	13.44	(61.34)	(55.17)
Increase / (Decrease) in Non Current Provisions	-	3.16	1.95
Increase / (Decrease) in Current Provisions	32.18	47.39	57.40
Cash Generated from Operations	(144.93)	62.90	44.66
Less: Taxes Paid (Net of refund received)	(61.25)	6.77	(47.46)
Less: Dividend & Dividend Distribution Tax Paid	(57.99)	(24.34)	(24.34)
NET CASH FLOW FROM OPERATING ACTIVITY (A)	(264.16)	45.33	(27.13)
B			
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Property, Plant & Equipment & Intangible Assets	(100.47)	(0.82)	(143.07)
Sale of Property, Plant & Equipment & Intangible Assets	-	-	443.62
Investments during the year	(42.00)	(12.00)	(465.98)
Proceeds from Sale of Investments	-	1.73	-
Investment in / (Redemption of) Fixed Deposits & Margin Money (Net)	-	20.37	-
Interest Received	1.62	-	2.62
Movement in other bank balances	(60.80)	-	(21.46)
NET CASH FLOW FROM INVESTING ACTIVITY (B)	(201.64)	9.28	(184.27)
C			
CASH FLOW FROM FINANCING ACTIVITY			
Proceeds from Bank borrowing	-	182.74	-
Increase/(Decrease) of Term Loan/Vehicle Loans	(31.00)	-	162.66
Increase/(Decrease) of Unsecured Loans	-	-	-
Repayment of Lease Liability	(48.42)	-	(100.59)
Increase/ (Decrease)in Working Capital facility (net)	204.61	(45.86)	21.49
Proceeds from Issue of Share Capital	277.59	3.16	329.88
Finance Cost	(50.75)	(50.96)	(104.17)
NET CASH FLOW FROM FINANCING ACTIVITY (C)	352.04	89.08	309.27
NET CASH FLOW FOR THE YEAR (A + B + C)	(113.77)	143.69	97.87
Add: Opening Balance of Cash & Cash Equivalents	127.92	30.05	30.05
CLOSING BALANCE OF CASH & CASH EQUIVALENTS	14.15	173.74	127.92
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	12.17	171.54	126.17
Cash on Hand	1.98	2.20	1.75
CASH AND CASH EQUIVALENT	14.15	173.74	127.92
CASH AND CASH EQUIVALENT AT THE END OF THE YEAR	14.15	173.74	127.92

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

SHAILESH SHAH
DIN:- 00006154
Place : Mumbai
Dated : 29.10.2021