

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/24-25/23

June 26, 2024

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

Sub: Annual Report for the Financial Year 2023-2024.

Ref: Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
("Listing Regulations")

Dear Sir/Madam,

Please find enclosed Annual Report of the Company for the Financial Year 2023-2024 along with the Notice of the 35th Annual General Meeting (AGM) scheduled to be held on **Thursday, July 18, 2024 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.

Further, in accordance with the relevant circulars issued by Ministry of Corporate Affairs and the Securities Exchange Board of India, the Notice of the 35th AGM along with the Annual Report is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depository Participants.

The Notice of 35th AGM of the Company along with Annual Report is also available on the website of the Company at www.skycorp.in

Kindly take the same on your records.

Thanking You.

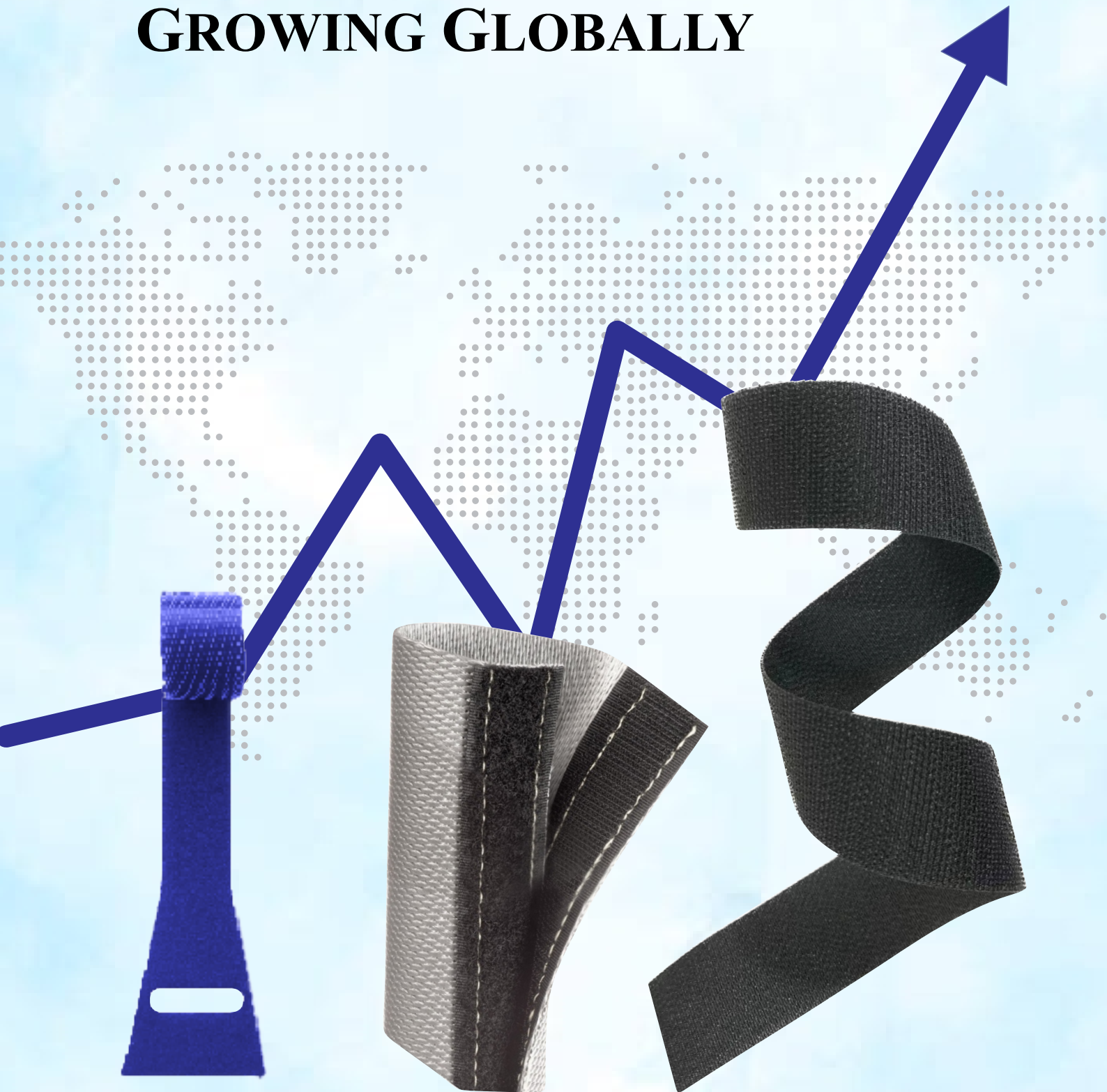
Yours faithfully,
For SKY INDUSTRIES LIMITED

MAIKAL RAORANI
WHOLE TIME DIRECTOR & CFO
DIN: 00037831

Encl.: a/a



ROOTED LOCALLY GROWING GLOBALLY



Annual Report 2023-24

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Forward looking Statements

This report may contain forward-looking statements which can be identified by specific terminology such as 'anticipates', 'believes', 'estimates', 'expects', 'intends', 'may', 'plans', 'should', 'could', 'will', or negative variations. These statements are subject to risks and opportunities beyond the Company's control, or the Company's current beliefs and assumptions about future events. The actual performance of the Company may differ from expected outcomes stated in this report. There is no guarantee that future results will be achieved as envisaged.



Scan to visit our website

About Us

For over three decades, Sky has been at the forefront of the hook and loop industry, setting standards of excellence. Our journey, marked by unwavering dedication and support from stakeholders, propels us forward with a commitment to elevate consumer experiences and shareholder value. As we reflect on our remarkable trajectory, we remain steadfast in our pursuit of unmatched quality, exceeding customer expectations, and delivering promising returns to our shareholders.

Since our inception, Sky has been synonymous with reliability and innovation in hook and loop tape fasteners and export. With a global presence spanning countries such as the USA, UK, Germany, Turkey, Bangladesh, Sri Lanka, and beyond, we have earned the trust of diverse industries. Our extensive product range, including self-adhesive hook & loop tapes, webbings, neoprene, velvet, and technical elastics, caters to sectors ranging from footwear and orthopaedic to automotive, garment, sportswear, packaging, home furnishing, aviation, and defence.

Sky has exemplified excellence in the hook & loop industry, adapting to evolving market demands and exceeding expectations. Our latest endeavour, Skytech Textiles Private Limited underscores our commitment to innovation & tailored solutions. Specializing in neoprene fabric, this subsidiary extends our reach into equestrian applications, sportswear and gear, swimming and scuba suits, luggage and tote bags, ortho & rehab aids, and aids, and beyond, ensuring that Sky remains at the forefront of industry advancements.

Partnership

As the official marketing partner for Aplix Inc. in India, we proudly represent a 50-year-old market leader in high-quality & technical fasteners. Aplix Inc. specializes in serving the automotive, aerospace, and hygiene sectors, among others. For further information about Aplix Inc., please visit their website at www.aplix.com



Our Values-Driven Culture

Our core values shape the organisation's culture, behaviour and drive execution

■ Excellence

To be the best version of ourselves every day

■ Courage

The ability to face challenges with boldness and without fear

■ Integrity

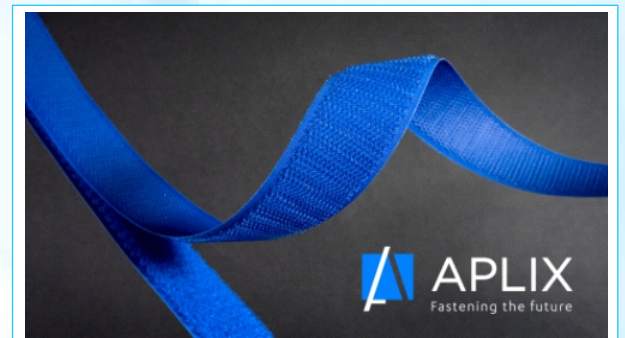
Doing the right thing even when no one is looking

■ Empathy

Respecting and valuing each other to drive collective strength

■ Accountability

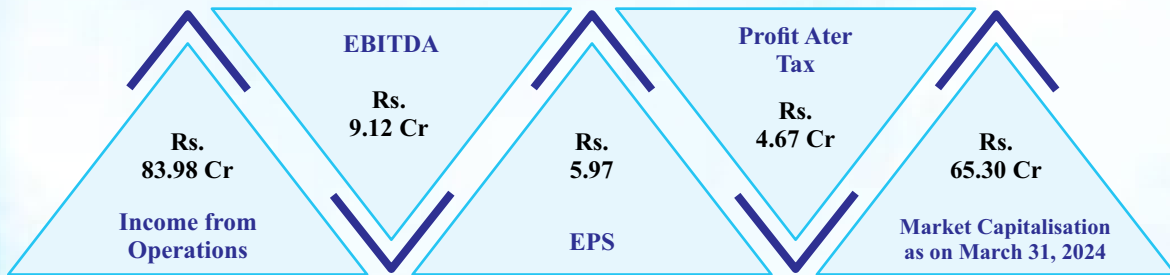
Personal ownership and commitment





... and Counting

Key Highlights for FY 2023-24



35+
Years of
Experience

38+
Industry
Outreach

800+
Customers
Across the Country

10+
Exported
to Countries

Fortifying Success Through Strengths - Based Foundations

Strong manufacturing capabilities, ably supported by a highly experienced technical team



Vast distribution network in the country



Adhering to highest standards of quality and consistency



Catering to a widely spread base customers amongst varied industry segments



Ability to provide customized fastening solutions



Global eco compliance viz Oeko-tex etc apart from meeting IS standards



Certifications



**STANDARD
100**

Stakeholder Group



Employees



Investors



Buyers



Suppliers

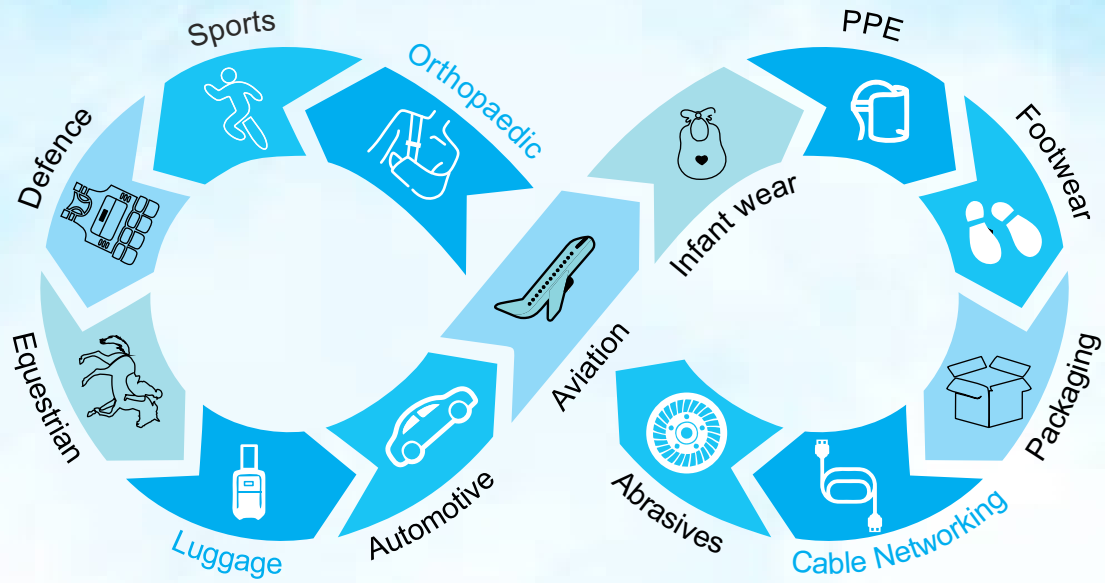


Community



Regulators

Industries We Serve



...And Many More

Our Brands



...And Many More

Our Manufacturing Sites



Manufacturing Unit I:


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




Manufacturing Unit II:

S.No.49, Unit No A-F, Om Sainath Compound,
Dapode, Bhiwandi, Maharashtra
421302



 **Area Manufacturing Unit I:**
Over 44,000 sq.ft.



 **Area Manufacturing Unit II:**
Over 36,000 sq.ft.

Installed Capacity:

Hook & Loop - 9 million meters / month

Webbings & Velvet - 3 million meters / month

Our Geographical Presence



INDIA

Corporate Office

1101 Universal Majestic, Behind RBK
International School Chembur - West,
Mumbai - 400043, Maharashtra, India

Tel No.: 022-67137900

Email: corporate@skycorp.in

Website: www.skycorp.in

Manufacturing Unit I

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

Manufacturing Unit II

S.No.49, Unit No A-F, Om
Sainath Compound, Dapode,
Bhiwandi, Maharashtra
421302

Exhibition Showcases



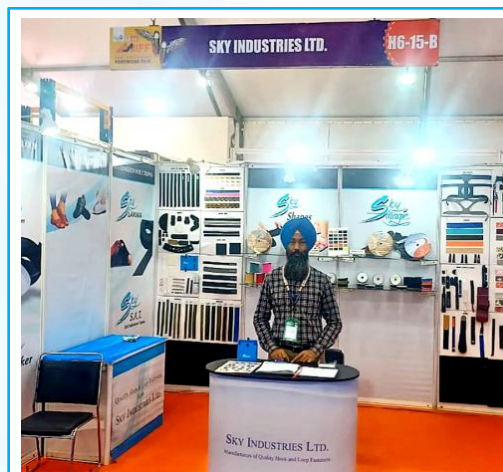
Footwear & Leather Fair 2024
Colombo, Sri Lanka



Intrapac India
India Expo Center, Delhi



Techttextil
Frankfurt / Germany



India International Footwear Fair
Delhi, India



ColombiaTex
Medellin, Colombia

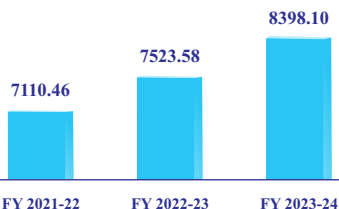
Performance Overview

(Rs. in lakhs)

Particulars	FY 2021-22	FY 2022-23	FY 2023-24
Income from operations	7110.46	7523.58	8398.10
Profit from operations before exceptional item & tax	656.85	233.67	609.96
Profit/ (Loss) before tax	656.85	233.67	609.96
Net Profit/ (Loss) after tax	487.20	176.82	467.49
Paid up equity share capital (Face Value of Rs 10/- each)	684.98	785.98	789.05
Earnings per equity share (in Rs)	7.70	2.27	5.97

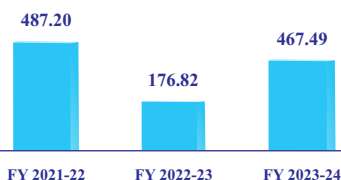
Income from Operations

(Rupee in Lakhs)

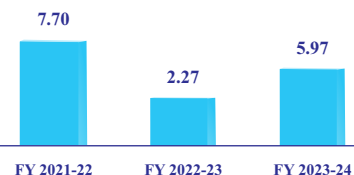


Net Profit

(Rupee in Lakhs)

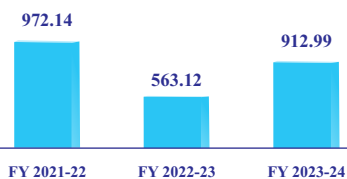


EPS

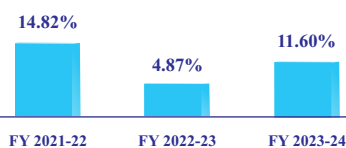


EBIDTA

(Rupee in Lakhs)

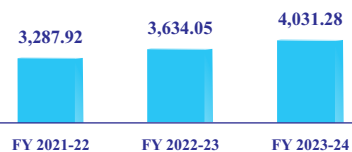


Return on Net Worth



Net Worth

(Rupee in Lakhs)





Insights from our Managing Director

“Connecting Businesses with Boundless Possibilities”

Dear Members,

It gives me immense pleasure and enthusiasm that I connect with you through the journey of SKY for the FY 2023-2024. This year holds significant importance as we celebrate 35 years of dedicated service, providing premium quality Hook and Loop Tape fasteners. Despite encountering numerous challenges along the way, our unwavering commitment and steadfast determination have propelled us forward, allowing us to thrive in a competitive environment. Expanding our reach across borders, we've earned acclaim on both domestic and international fronts.

Our dynamic and seasoned Board of Directors, representing diverse sectors such as Production, Sales & Marketing, Legal, and Finance & Accounting, coupled with our proficient management team, versed in Research & Development, Export Markets, Production, and Quality Control, equips us to embrace forthcoming growth prospects with confidence. This synergy underscores our unwavering dedication to excellence and innovation.

As Sky celebrates 35 glorious years in the industry, we are proud to announce our continued strong performance driven by strategic efforts and operational efficiencies, resulting in substantial growth across key financial metrics. For the Financial Year 2023-2024, our total income reached ₹83.98 Cr, marking a steady year-on-year growth of 11.62%. Annual EBITDA surged by 62.13% to ₹9.13 Cr, with the EBITDA margin improving to 10.87%. Net profit for the year stood at ₹4.67 Cr, showcasing a remarkable year-on-year growth of 163.92%, and the net profit margin improved to 5.57%. Furthermore, our annual EPS rose to ₹5.97, reflecting a robust year-on-year growth of 164.16%. These achievements underscore our commitment to excellence and sustainable growth.

Our aim is to expand our market share, as we are strategically advancing towards this goal by scaling up production, cost rationalization and boosting visibility. We've amalgamated traditional marketing methods with contemporary approaches, leveraging social media, digital marketing, and embracing e-commerce. We extend our heartfelt gratitude to our exceptional team members, partners, suppliers, investors, bankers, and stakeholders, whose unwavering trust and support have been the bedrock of our journey. Together, we stand poised to embrace the boundless opportunities that await us.

Warm Regards,

Shailesh S Shah
Managing Director

Board of Directors



Mr. Shailesh Shah
Managing Director

Possessing a postgraduate qualification and boasting over 3 decades of extensive industrial expertise, he has been an integral part of the company since its establishment. He plays a pivotal role in overseeing both marketing and operations, having been involved since the initiation of manufacturing operations.



Mr. Sharad Shah
Whole Time Director

With a wealth of over 30 years of experience in administration & business, he has been at the helm of the elastic division since the company's outset. His proficiency in administrative affairs is a significant advantage to the company.



Mr. Maikal Raorani
Whole Time Director & CFO

With qualifications in engineering and an MBA, he boasts over two decades of diverse experience spanning production, marketing, finance, commercial, & legal sectors. His profound expertise has been instrumental in driving the company's success, highlighting his indispensable role in shaping Sky's current prominence.



Mr. M Gopalakrishnan
Whole Time Director

With an M.Tech degree and Masters in Manufacturing Management from BITS Pilani, he boasts nearly thirty years of expertise in textile manufacturing & operations management. With extensive experience in both domestic & overseas markets across multiple states in India, he brings expertise and efficiency to Sky Industries Limited.



Mr. Amarendra Mohapatra
Non - Executive Independent Director

He holds qualifications as a Company Secretary, L.L.M, and M. Com (Accounting) and boasts over ten years of experience in secretarial and legal compliance. His skill set encompasses independent management of legal and secretarial tasks related to investor grievances, as well as proficiency in mergers, and takeovers.



Mr. Nitin Oza
Non - Executive Independent Director

He's a Chartered Accountant certified by The Institute of Chartered Accountants of India, bringing more than two decades of experience in finance, accountancy, and taxation to the table. Within the domains of finance and accountancy, he provides invaluable insights and guidance.



Mrs. Sanghamitra Sarangi
Non-Executive Independent Director

Holding a Bachelor's Degree in Law and a qualified Company Secretary, she boasts nearly a decade of extensive experience and expertise in the realms of secretarial and legal compliance. Beyond her legal proficiency, she demonstrates a strong grasp of the business landscape, including risks controls, accounting and financial reporting matters.



Mr. Lokanath Mishra
Non-Executive Independent Director

As an Advocate practicing at the Bombay High Court, he brings 15 years of experience in the legal field to the table. He has successfully managed cases related to SEBI, SAT, and BSE on behalf of numerous listed companies.

Meet our Team



Mr. Balaji R. Iyengar
General Manager - Sales



Mr. Chandrashekhar
Senior Manager - Operations



Mr. Swamidass Pauldevadason
GM - Accounts & Taxation



Mr. George Punnoose
DGM - Exports



Mrs. Saloni Shah Dedhia
Manager - Business Strategy



Mr. Sanjay Jain
DGM - International Business



Mr. Satish Deshpande
Head - Product Development



Mr. Kapil Mehrotra
Zonal Head - Institutional Sales



Ms. Priyal Ruparelia
Company Secretary

Sky-Ful Events



"Skill Elevation: Interactive Sessions for Team Advancement"



"Unity Games: Fostering Team Spirit through Fun Activities"



"Team Fusion: Engaging in Eco activities and Building Stronger Bonds"



"Secure & Fair: Ensuring Safety and Democratic Worker Representation"

CORPORATE INFORMATION

BOARD OF DIRECTORS

Managing Director

Mr. Shailesh S Shah

Whole Time Directors

Mr. Maikal Raorani
Mr. Sharad Shah
Mr. M Gopalakrishnan

Independent Directors

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

Chief Financial Officer

Mr. Maikal Raorani

Company Secretary & Compliance Officer

Miss Priyal Ruparelia

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 and Associates, Chartered Accountants

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](https://www.instagram.com/skyindustriesltd)



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 35TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the Thirty Fifth (35th) Annual General Meeting (“AGM”) of the members of Sky Industries Limited (“the Company”) will be held on Thursday, July 18, 2024 at 11:00 A.M. IST through video conferencing (“VC”) / Other Audio-Visual Means (“OAVM”) facility, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the Financial year ended March 31, 2024 together with the Reports of the Board of Directors’ and the Auditors’ thereon.
2. To declare a final dividend @10% i.e. Re.1/- per Equity Share of Rs. 10/- each for the Financial Year ended March 31, 2024.
3. To appoint a Director in place of Mr. Shailesh S Shah (DIN: 00006154), who is liable to retire by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Maikal Raorani (DIN: 00037831), who is liable to retire by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

5. **Re-appointment of Mrs. Sanghamitra Sarangi (DIN: 08536750), 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), Mrs. Sanghamitra Sarangi (DIN: 08536750), who was appointed as an Independent Director of the Company w.e.f. August 14, 2019, at the Annual General Meeting held on September 14, 2019, for a term of five years and who holds office of the Independent Director up to August 13, 2024 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 Companies Act, 2013, be and is hereby

re-appointed for a second consecutive term of three years with effect from August 14, 2024 to August 13, 2027 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
Tel: 022-67137900
Email: corporate@skycorp.in
Website: www.skycorp.in
CIN: L17120MH1989PLC052645

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

Date: May 21, 2024

Place: **Mumbai**

Sd/
Priyal Ruparelia
Company Secretary
ICSI M.NO. A71040

NOTES:

1. Pursuant to the General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020 and subsequent circulars issued in this regard, the latest being the General Circular No. 09/2023 dated September 25, 2023 issued by the Ministry of Corporate Affairs (“**MCA**”) hereinafter collectively referred to as (“**MCA Circulars**”), SEBI Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2021/11 dated January 15, 2021, SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 and SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 (together “**SEBI Circulars**”) and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any amendments thereto (“**Listing Regulations**”) and Secretarial Standard on General Meetings (“**SS-2**”) issued by the Institute of Company Secretaries of India and other applicable laws the companies are allowed to hold Annual General Meeting through VC/OAVM without the physical presence of Members at a common venue. Hence, in compliance with the Circulars, the 35th AGM of the Company is being held through Video Conferencing (“**VC**”)/Other Audio Visual Means (“**OAVM**”). The deemed venue for the 35th AGM shall be the Registered Office of the Company i.e.C-58 TTC Industrial Area, Thane Belapur Road, Pawane, Navi Mumbai- 400 705

2. In accordance with the provisions of the Act, read with the Rules made thereunder and pursuant to Circulars, since the AGM of the Company is being held through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
3. In terms of the MCA Circulars and the relevant SEBI Circulars, the Company is sending the Notice calling the 35th AGM along with the Annual Report for the Financial Year ended March 31, 2024, 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 2023-24 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>
4. 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 No. 5 of the accompanying Notice is annexed hereto.
5. All documents referred to in the AGM Notice will be available for electronic inspection without any fee by the members from the date of circulation of this AGM Notice up to the date of AGM, i.e. Thursday, July 18, 2024. Members seeking to inspect such documents can send an email to corporate@skycorp.in
6. 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 fscrcm@gmail.com with a copy marked to evoting@nsdl.co.in
7. 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.
8. 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 21, 2024 have been considered for the purpose of sending the Notice of AGM and the Annual Report.
9. **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:
 - a) To all Beneficial Owners in respect of shares held in dematerialized 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 Thursday, July 11, 2024 and
 - b) 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 Thursday, July 11, 2024
10. **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. 20 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.
11. 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.

12. 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.
13. **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: Monday, July 15, 2024 at 09:00 A.M. (IST)
 - Day, date and time of end of remote e-Voting: Wednesday, July 17, 2024 at 5:00 P.M. (IST)
14. The Company has fixed Thursday, July 11, 2024 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.
15. 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.
16. The Board of Directors has appointed M/s. Ramesh Chandra Mishra & Associates, 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.
17. The Scrutinizer will, after the conclusion of e-voting at the AGM, scrutinize the votes cast at the AGM and votes cast through remote e-voting, make a consolidated Scrutinizer’s Report and submit the same to the Chairperson or a person authorized by him in writing, who shall countersign the same and declare voting results (consolidated) within two working days from the conclusion of the AGM. The voting results along with the consolidated Scrutinizer’s Report, will be placed on the website of the Company (www.skycorp.in), on the website of Stock Exchange (www.bseindia.com) and on the website of NSDL (www.evoting.nsdl.com) immediately after the declaration of result by the Chairperson and in his absence, any Director/officer of the Company authorized by the Chairperson. It shall also be displayed on the Notice Board at the Registered Office of the Company.
18. 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, July 12, 2024 to on or before 5:00 P.M., July 16, 2024, through Email on corporate@skycorp.in in the same will be replied by/on behalf of the Company suitably.
19. 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”).
20. 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 dematerialization and also considering that physical transfer of equity shares/ issuance of equity shares in physical form have been disallowed by SEBI.
21. Members holding shares in dematerialized 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.
22. As per the provisions of Section 72 of the Companies Act, 2013, 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.

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

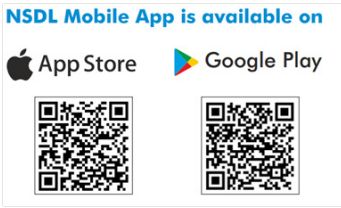


The way to vote electronically on NSDL e-voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-voting system

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

A. Login method for e-voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 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 to access e-voting facility.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 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 during the meeting. 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 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 during the meeting. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center;">  <p>NSDL Mobile App is available on  App Store  Google Play</p> </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting 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. 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. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.

Type of shareholders	Login Method
	4. Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from an 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 e-voting 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	5. 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 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 toll free no.: 022-48867000
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 shareholders other than Individual shareholders holding securities in demat 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.
4. Alternatively, if you are registered for NSDL e-services i.e., IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e., Cast your vote electronically.
5. 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 101456 then user ID is 101456001***

6. 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**

7. **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.

8. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

9. Now, you will have to click on "Login" button.

10. 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 Sky Industries Limited- 128887 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(s), you will not be allowed to modify your vote.

General Guidelines for Shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to fcsrcm@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on **"Upload Board Resolution / Authority Letter"** displayed under **"e-voting"** tab in their login.
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.nsdl.com or can call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Sarita Mote, Assistant Manager at evoting@nsdl.co.in

day of the AGM shall be the same person mentioned for Remote e-voting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL IDS ARE NOT REGISTERED WITH THE DEPOSITORIES FOR PROCURING USER ID AND PASSWORD AND REGISTRATION OF EMAIL 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 shareholders 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 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.

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

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 speaker by sending their request from their registered email address mentioning their name, DP ID and client ID, No. of shares, PAN, mobile number at corporate@skycorp.in on or before 11:59 P.M. Thursday, July 13, 2024. Only those Members who have registered themselves as a speaker will be allowed to express their views, ask questions during the AGM. The Company reserves the right to restrict the number of speakers as well as the speaking time depending upon the availability of time at the AGM.
6. Please note that, only those members holding shares as on the cut-off date and 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.

Registered Office:

C - 58 TTC Industrial Area,
Thane Belapur Road, Pawane,
Navi Mumbai - 400 705
Tel: 022-67137900
Email: corporate@skycorp.in
Website: www.skycorp.in
CIN: L17120MH1989PLC052645

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

Date: May 21, 2024

Place: **Mumbai**

Sd/
Priyal Ruparelia
Company Secretary
ICSI M.NO. A71040

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

The following Explanatory Statement, pursuant to Section 102 of the Act, sets out all material facts relating to the business mentioned in the accompanying AGM Notice dated May 21, 2024:

Item No.5:

The Members of the Company at their 30th Annual General Meeting held on September 14, 2019 appointed Mrs. Sanghamitra Sarangi (DIN: 08536750) as an Independent Director of the Company for a period of five years with effect from August 14, 2019, not liable to retire by rotation, whose first term began from August 14, 2019 and first term expires on August 13, 2024. Further, based on the recommendation and approval of the Nomination and Remuneration Committee, the Board of Directors in their meeting held on May 21, 2024, approved the re-appointment of Mrs. Sanghamitra Sarangi as an Independent Director of the Company w.e.f. August 14, 2024, for a further period of three years not liable to retire by rotation and subject to the members' approval.

Mrs. Sanghamitra Sarangi (DIN: 08536750) holds a Bachelor's Degree in Law and is a Qualified Company Secretary having a vast experience and expertise in the field of Secretarial and legal Compliance field for almost a Decade. She is also a Director in Aris International Limited and G D Trading and Agencies Limited and Key Managerial Personnel of Edac Engineering Limited. Her expertise extends to handling Audits, due diligence, share transfer-related investor grievances. In addition to her legal acumen, she possesses a good understanding of the business environment, business risks, controls, accounting, and financial reporting issues. The board is confident about her ability to function and discharge of her duties in an efficient and competent manner. Considering her extensive knowledge and experience as well as her educational background, the Nomination & Remuneration Committee and the Board of Directors of the Company are of the opinion that her association would be of immense benefit to the Company and that her continued association with the Company as a Non- Executive Independent Director would be of great advantage.

The Company has received necessary declarations from Mrs. Sanghamitra Sarangi (DIN: 08536750) that she continues to meet the criteria of independence as prescribed under Section 149(6) of the Act and under Regulation 16 of the SEBI Listing Regulations. Mrs. Sanghamitra Sarangi has confirmed that she 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 her consent to act as a Director. The Board is of the opinion that she 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 Regulations and Secretarial Standard-2 on General Meetings issued by The Institute of Company Secretaries of India are attached as **Annexure A**. A copy of the letter of appointment proposed to be issued to Mrs. Sanghamitra Sarangi 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 Mrs. Sanghamitra Sarangi, 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 Mrs. Sanghamitra Sarangi 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. 5 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
Tel: 022-67137900
Email: corporate@skycorp.in
Website: www.skycorp.in
CIN: L17120MH1989PLC052645

Date: May 21, 2024
Place: Mumbai

Sd/
Priyal Ruparelia
Company Secretary
ICSI M.NO. A71040

ANNEXURE A

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	Mr. Shailesh S Shah	Mr. Maikal Raorani	Mrs. Sanghamitra Sarangi
DIN	00006154	00037831	08536750
Date of Birth	04/12/1962	15/06/1973	28/05/1986
Age	62 Years	51 Years	38 Years
Date of first appointment on the Board	01/01/1993	06/12/2017	14/08/2019
Qualification	Post Graduate in Commerce	B.E. & MBA	Company Secretary and L.L.B.
Profile, Experience and Expertise in specific functional areas	<p>He boasts over three decades of extensive industrial expertise and has been an integral part of the company since its establishment.</p> <p>He plays a pivotal role in overseeing both marketing and operations, having been involved since the initiation of manufacturing operations.</p>	<p>He boasts over two decades of diverse experience spanning production, marketing, finance, commercial, & legal sectors.</p> <p>His profound expertise has been instrumental in driving the company's success, highlighting his indispensable role in shaping Sky's current prominence.</p>	<p>She has a wide experience and expertise in the field of Secretarial and legal Compliance field for almost a Decade. She is also a Director in Aris International Limited and G D Trading and Agencies Limited and Key Managerial Personnel of Edac Engineering Limited, she brings her expertise in handling all legal and secretarial compliances, share transfer related to investor grievances.</p> <p>Apart from legal she also has good understanding of the business environment, business risks, controls, accounting and financial reporting issues.</p>
No. of Meetings of the Board attended during the year	Attended all 5 Board Meetings held during the period	Attended all 5 Board Meetings held during the period	Attended all 5 Board Meetings held during the period
List of Directorship of other Boards(excluding foreign companies)	1) Cricketnco Apparels Private Limited 2) Skytech Textiles Private Limited	1) Cricketnco Apparels Private Limited 2) Skytech Textiles Private Limited	1) Aris International Limited 2) G D Trading and Agencies Limited
The Listed entity from which Director has resigned in last three years	Nil	Nil	Nil
List of Membership / Chairmanship of Committees of other Companies (excluding foreign companies)	Nil	Nil	Aris International Limited A) Audit Committee- Chairperson B) Stakeholders Relationship Committee-Member
No. of Equity shares held in the Company (Including Shareholding as a beneficial owner) (As on March 31, 2024).	27,80,623	42,300	Nil
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 (FY 2023-24)	Rs. 60 Lakhs	Rs. 30 Lakhs	Rs. 50,000 (sitting fees)

Name of the Director	Mr. Shailesh S Shah	Mr. Maikal Raorani	Mrs. Sanghamitra Sarangi
Details of remuneration sought to be paid	Rs. 60 Lakhs	Rs. 30 Lakhs	Sitting Fees
Skills & capabilities required for the role and the manner in which the proposed person meets such requirement	Accounting & Finance, Business Operations, Sales & Marketing, Business Development, Corporate Governance, Risk Management, Strategy, Human Resource & Operations	Accounting & Finance, Business Operations, Sales & Marketing, Corporate Governance, Risk Management, Strategy, Human Resource & Operations	Legal & Compliance, Corporate Governance, Accounting & Finance, Leadership, Risk Management, Strategy, Human Resource & Operations
Inter-se relationship with other Directors and Key Managerial Personnel	Brother: Mr. Sharad Shah, Whole Time Director	None	None

Registered Office:

C - 58 TTC Industrial Area,
Thane Belapur Road, Pawane,
Navi Mumbai - 400 705
Tel: 022-67137900
Email: corporate@skycorp.in
Website: www.skycorp.in
CIN: L17120MH1989PLC052645

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

Date: May 21, 2024
Place: **Mumbai**

Sd/
Priyal Ruparelia
Company Secretary
ICSI M.NO. A71040



MANAGEMENT DISCUSSION & ANALYSIS REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

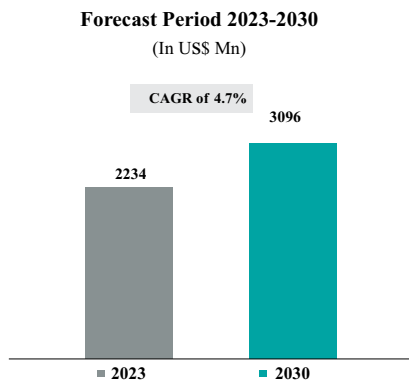
INDUSTRY STRUCTURE AND DEVELOPMENTS

Global Economy Outlook

Understanding the current state of the global economy necessitates a deep dive into the intricate interplay of evolving industrial structures. As the fundamental pillars of economic activity, industries are always changing in reaction to a wide range of circumstances such as shifting consumer tastes, geopolitical changes, and technological breakthroughs. In order to successfully traverse the complexity of the contemporary economic landscape, politicians, businesses, and individuals must all have a thorough understanding of these dynamics.

The Global Economy growth is estimated at 3.2 % in 2023 and projected to continue at the same pace in 2024 and 2025. Advanced economies expected to see slight increase in growth from 1.7% in 2024 followed by 1.8% in 2025. Emerging and developing economies are overall expected to experience stable growth of 4.2% in 2024 and 2025. Multilateral cooperation is needed to limit the costs and risks of geoeconomic fragmentation and climate change, speed the transition to green energy, and facilitate debt restructuring.

The global Hook & Loop market was valued at US\$ 2234 million in 2023 and is anticipated to reach US\$ 3096.1 million by 2030, witnessing a CAGR of 4.7% during the forecast period 2024-2030. Advancements in manufacturing techniques and materials science have facilitated the development of hook and loop fasteners that boast increased durability, strength, and adaptability to various conditions. Furthermore, an emphasis on sustainability, cost-effectiveness, and lightweight design in product development and assembly drives market expansion.



Sources: IMF, verified market reports

Indian Economy Outlook

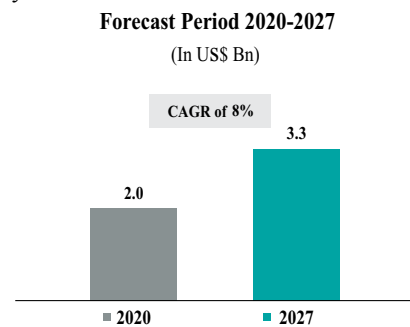
Despite external exogenous shocks, India continues to be among the fastest-growing economies in the world. The accelerated pace of economic reforms and strong domestic consumption have led to higher and sustainable growth of the Indian economy and strengthened its position in the world. India remained an outlier and reported an estimated 7.6% growth in FY 2023-24, driven by robust performance broadly across all economic sectors. India is expected to remain the fastest-growing nation among the G-20 nations in the years ahead. Also, India's presidency of the

G20 Summit in 2023 has significantly bolstered its international standing. With reduced uncertainties at the beginning of FY24, businesses are expected to focus on their growth potential.

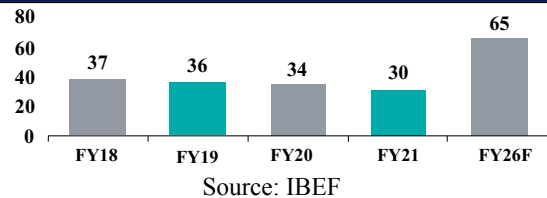
Indian Textile Industry Outlook

The Indian textiles industry is poised for growth, driven by strong domestic consumption and export demand. India is actively pursuing various initiatives to enhance its technical textile industry. The Indian Technical Textile market has a huge potential of a 10% growth rate, increased penetration level of 9-10% and is the 5th largest technical textiles market in the world.

Global apparel market is expected to grow at a CAGR of around 8% to reach US\$ 2.37 trillion by 2030 and the Global Textile & Apparel trade is expected to grow at a CAGR of 4% to reach US\$ 1.2 trillion by 2030.



Textiles And Apparel Exports From India (US\$ Bn)



The domestic apparel and textile industry in India contributes approximately 2.3% to the country's GDP, 13% to industrial production and 12% to exports. India has a 4% share of the global trade in textiles and apparel. India's exports of textiles and apparel are expected to reach \$100 Bn. in the next 5 years, growing at a CAGR of 11%.

Company Review

The company has amalgamated its routes in the field of exports in more than Ten (10) countries including USA and Europe. The Company supplies to 800+ domestic and 20+ export customers with major presence in the USA, Europe. Taking this into consideration, the domestic front showed an uplifting growth over previous Financial Year.

The Company also booked revenues of Rs. 82.46 Crore in the Fiscal year 2023-24 and Rs.74.92 Crore in the previous Financial Year 2022-23. The business utilized its resources strategically.

The EBIDTA of the company jumped from 5.63 Crore to 9.12 Crore.

OUTLOOK

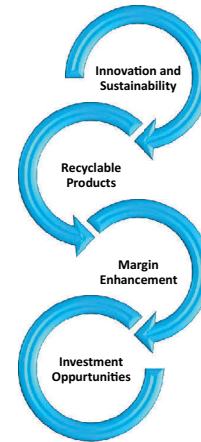
The company remains confident in its ability to deliver its long term commitment led by its best-in-class manufacturing process, continuous process enhancements, strong R&D focus and an unwavering commitment to innovation. The company is investing in various R&D projects catering to the development. The company also engages in global exhibitions to stay informed about current trends and expand its customer base.

We are implementing new and cutting-edge technology to improve our operations concerning digitalization and sustainability. Our Company is persistently pursuing a long-term lean manufacturing approach, consistently emphasizing the development of products with added value products.

The company has outlined its updated strategy for narrow woven fabrics in the future. This means keeping up the company's performance in its main business divisions while also looking into new ones. The Narrow Woven Fabrics Market is expanding. Collaboration and marketing arrangements are creating new opportunities.

The company is confident about its growth trajectory and the future as a company. The company has faith in its potential to expand organically while increasing output through the use of new technology.

The company is always looking for ways to boost margins and reduce risk through targeted projects and worldwide support.



OPPORTUNITIES AND THREATS

Strengths

- Premium Quality Hook and Loop Tape Fasteners
- Innovative range of Value Added/ Customized Products
- Recyclable Products
- Only Listed Company in India manufacturing Hook & Loop Tapes
- Experienced Promoters and Management Team

Weaknesses

- Dependant on Raw Material Availability
- Competition from other countries
- Exchange Rate Risk

Opportunities

- The company plans to increase its facilities & capitalize on the trend by concentrating on exports and value-added products.
- Exporting to international markets with higher demand can lead to increased revenues & market share.
- The increasing use of hook and loop fasteners in various industries such as textiles, automotive, healthcare, & defence, etc., presents a significant opportunity for manufacturers to tap into a growing market.
- There are various government initiatives such as Make in India providing incentives and support to Local Business

Threats

- Higher inflation presented challenges to the Indian Textile Market as the soaring costs of fuel, energy, freight impacted the industry.
- The threat of cheaper imports influences local manufacturers and domestic output.
- The Technical Textile 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 astounding progress setting new sales records demonstrating the industry's prominence as one of the fastest growing industries.

The company's primary business is "Fastening solutions within the more general category of Narrow Woven Fabrics". Thus, the Institute of Chartered Accountants of India's Accounting Standard on Segment Reporting, (AS-17) is not applicable.



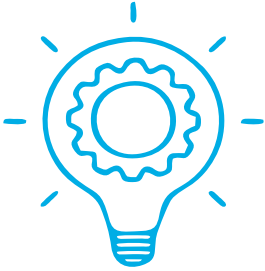

The business has done well, maintaining margins even in the face of rising input costs. Despite cost increases, the company has managed to boost margins through improved purchasing economies, increased manufacturing yield and consumption, and overall cost control.




RISKS AND CONCERNS

Risk management plays a pivotal role in business. Managing risk differs from managing strategy. The company cannot eliminate risks outright, though they can be managed.

Various types of risks are faced by the company, including those related to manufacturing the targeted quantity of products and those related to the selling structure of Hook and Loop Tape fasteners and Weaving/Velvet Tapes. The entry of new competitors into the market has led to heightened competition, resulting in lower prices and a greater emphasis on innovation and quality by existing businesses.

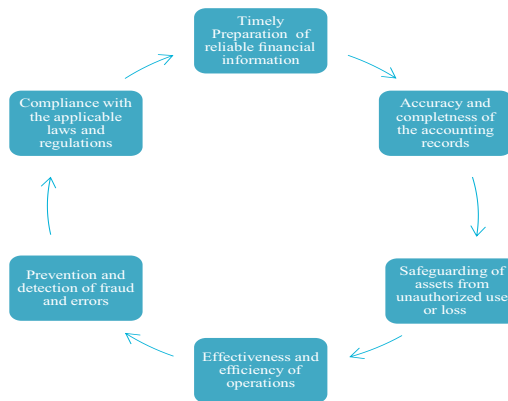
Sky Industries Limited principal risks and their mitigation:

Key Risk	Details	Mitigation
<p>Compliance & Regulatory Risk</p> 	<p>The manufacturing industry faces the risk of legal or regulatory sanctions, substantial financial losses, and damage to reputation due to non-compliance with laws, regulations, self-regulatory standards, and industry codes of conduct.</p>	<ul style="list-style-type: none"> Your Company has a robust framework, monitored by the senior management team to mitigate compliance and regulatory risk. All regulatory amendments are closely monitored. Internal audit process assists in complying with all the existing laws and regulations. Monitoring through compliance tracker and reporting timelines.
<p>Raw Material Risk</p> 	<p>Every manufacturing organization faces the inherent challenge of managing the availability of essential raw materials, which may sometimes be restricted or unavailable. Furthermore, fluctuations in expenses can directly impact profitability.</p>	<p>The enduring partnerships between your company and its vendors play a pivotal role in ensuring a consistent and uninterrupted supply of raw materials at competitive prices, fostering operational continuity and cost efficiency.</p>
<p>Innovation Risk</p> 	<p>R&D plays a vital role in ensuring the long-term viability of the hook and loop tape fasteners as well as the velvet/webbing market. To maintain a competitive edge, companies must prioritize innovation and focused research and development efforts.</p>	<p>Your Company is committed to enhancing its technical expertise in niche applications. Through strong customer connections, we leverage knowledge transfer from our customers to drive innovation and develop specialized products.</p>
<p>Employability risk</p> 	<p>There are potential challenges and uncertainties related to the ability of the workers to maintain their jobs or find new employment opportunities due to factors such as technological advancements, automation, outsourcing, or economic fluctuations.</p>	<p>Your Company is involved in implementing strategies such as workforce training and upskilling programs to align with technological advancements. It fosters a culture of lifelong learning and adaptability among employees to diversify skills. It also explores opportunities for retraining or reskilling for displaced workers and facilitates smooth transitions in the labour market.</p>

Key Risk	Details	Mitigation
Liquidity Risk and Interest Rate Risk 	Liquidity risk is the inability of a company to meet its obligations as they become due, without adversely affecting its financial condition.	<ul style="list-style-type: none"> Your company maintains liquidity in the form of investments in mutual funds. It maintains tight control over debtors Quarterly monitoring of liquidity ratios including Liquidity Coverage Ratio (LCR). Further, to strengthen internal controls, an audit process is in place to ensure implementation of the above-mentioned measures and is carried out effectively.
Cyber Security Risk 	Cyber Security Risk means the risk of cyber-attacks on Sky Industries Limited systems through hacking, phishing, ransom ware and other means, resulting in disruption of our services or theft or leak of sensitive internal data or customer information.	<ul style="list-style-type: none"> You company conducts regular assessments to identify vulnerabilities and threats specific to manufacturing processes and systems. It has implemented robust firewalls, intrusion detection/prevention systems, and access controls to protect critical networks and infrastructure. Implementing physical security controls to protect our manufacturing facilities, equipment, and data from unauthorized access.
Industrial Safety, Employee Health and Safety Risk 	The labour-intensive nature of the task and the diversity of production facilities raise health concerns for personnel due to factors such as human error and machinery failure, among others.	<ul style="list-style-type: none"> Your Company provides extensive training to employees/workers on safety protocols, procedures, and the proper use of personal protective equipment (PPE) to minimize the risk of accidents and injuries. Your Company ensures clear communication of hazards and safety procedures through signage, labels, and training programs to keep employees informed and aware of potential risks. Conducts routine inspections of equipment, machinery, and facilities to identify potential hazards and address maintenance issues promptly. Your Company conducts yearly health check-ups for its employees/ workers.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has designed adequate internal control systems comprising of detailed policies, guidelines and procedures, commensurate with the nature, size and complexity of the industry in which it operates. It is aimed at ensuring business integrity and promoting operational efficiency. The comprehensive internal control system ensures automatic checks and balances and robust financial reporting. All assets are safeguarded and protected against loss from unauthorized use or disposition and the transactions are authorized, recorded and reported correctly, financial and other data are reliable for preparing financial information and other data and for maintaining accountability of assets. These controls have been providing reasonable assurance over:



The internal control is supplemented by extensive programme of internal audits and review by management. The Company bears the responsibility of ensuring the safety of its assets, preventing fraudulent activities and errors and detecting them promptly, maintaining

accurate and comprehensive accounting records, and promptly preparing dependable financial data. Any departure from the norm is brought to the attention of management. To maintain business as normal and keep these exposures at manageable levels, prompt response is guaranteed. Business continuity is ensured via internal control structure.

Your Company has also focused on upgrading the IT infrastructure – both in terms of hardware and software. In addition to the existing system, the Company is presently reviewing the process documentation to ensure effectiveness of the controls in all the critical functional areas of the company.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The health and sustainability of the technical textile industry can be better understood by comparing the sector's financial performance to its operational performance. The following is a summary of important ideas to bring up throughout the discussion:



Revenue Growth: The performance of the sector as a whole can be inferred by tracking revenue growth over time. A stable or growing revenue stream indicates a robust market for technical textiles, whereas a diminishing revenue stream could indicate shifting consumer preferences or market difficulties.

Profitability Margins: Evaluating profitability margins, which include net profit margin, operational profit margin, and gross profit margin, aids in determining how well a sector's operations and cost control are working. While broadening margins may suggest successful cost control or price tactics, narrowing margins may imply rising manufacturing costs or pricing pressures.

Operational Efficiency: The effectiveness of the industry in managing resources, production processes, and cash flow can be ascertained by examining operational parameters such as days sales outstanding (DSO), inventory turnover, and asset turnover. Increases in these parameters point to improved asset utilization and operational success.

Research and development (R&D) investment: Assessing R&D investments reveals the industry's dedication to innovation and new product development. New and enhanced technical textiles are frequently introduced as a result of increased R&D spending, enhancing competitive advantages and promoting long-term growth.

Through the analysis of financial performance metrics in combination with operational indicators and external factors, stakeholders can get a full comprehension of the dynamics and future prospects of the technical textile industry. The industry's sustainable growth is supported and strategic decision-making is informed by this all-encompassing strategy.

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

(Rs. In Lakhs)

Particulars	FY 2023-24	FY 2022-23	% of Change
Revenue from Operation	8246.49	7492.09	10.07%
Operating Profit (EBITDA)	912.99	563.12	62.13%
Finance Cost	128.55	159.64	-19.48%
Depreciation Cost	174.48	169.81	2.75%
Profit Before Tax	609.96	233.67	161.03%
Profit After Tax	467.49	176.82	164.39%

HUMAN RESOURCE MANAGEMENT

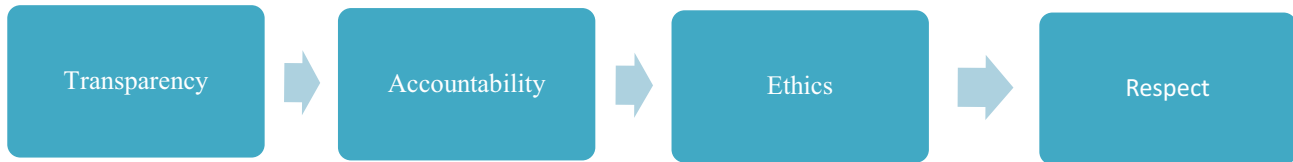
Your Company's headcount for the financial year 2023-24 was 272. We have a total of 67 Permanent employees and 205 employees were hired on a contractual basis working in production sites and administrative offices.

Employee's relation continued to remain cordial in the year under review. Sky Industries Limited (Sky) recognizes that people are the key to the success of the organization. Sky continued to make substantial investment in human capital to meet its growth targets. The

business of your company is managed by a component and passionate team of leaders capable of augmenting company's standing in the market. There were no significant issues outstanding or remaining unresolved during the year under review.

The company's main goal is to help individuals reach their full potential and advance their operational, behavioral, and functional competencies. The management and board of directors would like to sincerely express appreciation for all of the staff members' contributions. We think that our ability to draw in and keep important employees with the necessary performance and skill sets will be crucial to our long-term success. The company ensures strict adherence to the internal codes and has defined a zero tolerance policy towards any kind of discrimination. Regular performance conversations and real time feedback form the backbone of the company.

The company's culture is centered on core pillars which are:



KEY FINANCIAL RATIOS OF THE COMPANY SHOWING FINANCIAL PERFORMANCE

In accordance with SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the details of significant changes (i.e. Change of % or more as compared to the immediately previous financial year) in key financial ratios are given below:

Ratios	FY 2023-24	FY 2022-23	% of Change
Debtors Turnover (Days)	54	60	-10.00%
Inventory Turnover (Days)	88	106	-16.98%
Interest Coverage Ratio	14.08:1	1.46:1	864.38%
Current Ratio	2.14:1	2.05:1	4.39%
Debt Equity Ratio	0.30:1	0.35:1	-14.29%
Operating Profit Margin (%)	7.40%	3.11%	137.94%
Net Profit Margin (%)	5.67%	2.36%	140.25%
Return on Net worth (%)	11.60%	4.97%	133.40%

CAUTIONARY STATEMENT

The Company's goals, projections, estimates, and expectations are described in this Management Discussion and Analysis. These statements may be considered "forward looking statements" under applicable laws and regulations because the company's resolution plan has been put into action. These assertions are predicated on existing expectations as well as forecasts for upcoming events. However, these statements include known and unknown risks, important changes to the political and economic landscape in India or important international markets, tax regulations, litigation, labor relations, fluctuations in exchange rates, interest rates, and other costs, all of which could materially affect actual results. Although great care has been taken in establishing these assumptions, there is no guarantee that these forward-looking statements will come to pass. Any forward-looking statements made whether in response to new information, anticipated events, or otherwise, are not required to be publicly updated.



DIRECTOR'S REPORT

DIRECTORS' REPORT

Dear Members,

Your Directors have immense pleasure in presenting Thirty Fifth (35th) Annual Report of Sky Industries Limited ('The Company'), together with the Audited financial statements for the Financial Year ended March 31, 2024.

COMPANY'S FINANCIAL HIGHLIGHTS AND PERFORMANCE

The standalone and consolidated financial highlights of the Company's operations are summarized below:

(Rs. in Lakhs)

PARTICULARS.	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
Revenue from Operations	8246.49	7492.09	8166.02	7492.09
Other Income	151.61	31.48	150.54	31.48
Total Income	8398.10	7523.58	8316.56	7523.58
Depreciation & Amortisation	174.48	169.81	174.64	169.81
Profit before Tax	609.96	233.67	554.73	233.67
Total Tax Expenses	142.47	56.86	140.74	56.86
Net Profit	467.49	176.82	413.99	176.82
Earnings Per Equity Share (in Rs.)				
Basic	5.97	2.27	5.25	2.27
Diluted	5.97	2.26	5.25	2.26

OVERVIEW

During the year under review, On Standalone basis, the Revenue from operations of the Company for FY 2023-24 was Rs. 8246.49 as compared to Rs. 7492.09 for FY 2022-23 registering a growth of 10.07%. The profit after tax ("PAT") attributable to shareholder Rs. for FY 2023-24 was Rs. 467.49 Lakhs as against Rs. 176.82 lakhs for FY 2022-23 registering a growth of 164.39%

On a Consolidated basis, the Revenue from operations of the Company for FY 2023-24 was Rs. 8166.02 as compared to Rs. 7492.09 for FY 2022-23 registering a growth of 9%. The profit after tax ("PAT") attributable to shareholder Rs. for FY 2023-24 was Rs. 413.99 Lakhs as against Rs. 176.82 lakhs for FY 2022-23 registering a growth of 134.13%

On a Standalone basis, Earning per share was Rs. 5.97 (Basic) and Rs.5.97 (Diluted) stood at in FY 2023-24 as compared to Rs.2.27 (Basic) and Rs. 2.26 (Diluted) in FY 2022-23.

On a Consolidated basis, Earning per share was Rs.5.25 (Basic) and Rs. 5.25 (Diluted) stood at in FY 2023-24 as compared to Rs. 2.27 (Basic) and Rs. 2.26 (Diluted) in FY 2022-23.

The Financial Statements of the company have been prepared in accordance with the 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.

The company discloses its financial results on a quarterly basis, which are subject to limited review, and publishes audited financial

statements on an annual basis. The management of the company reviews and evaluates all its recently issued or revised accounting standards on an ongoing basis.

A key focus of the business is promoting and maintaining the operational quality of the products, a people-centric culture, and an effective technology system that enable us to optimize the performance of the company and thus offer and contribute to the company's growth. The company possesses the following competitive strengths:

- Well experienced and professional management team
- Strong customer proposition
- Operational quality
- People centric operational culture
- Effective technology system

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the provisions of the Act, Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the 'SEBI Listing Regulations'), and applicable Accounting Standards, the Audited Consolidated Financial Statements of the Company for the FY 2023-24, together with the Auditors' Report, forms part of this Annual Report.

TRANSFER TO RESERVES

During the year under review, the company proposes to retain the entire amount in the profit and loss account in 'Retained Earnings'. Hence, no amount is transferred to the 'Reserves' in the financial year 2023-24.

DIVIDEND

Your company has a commendable track record of rewarding its members with a generous dividend payout. The company demonstrated robust performance during the year under review.

In recognition of your company's stable performance and the trust placed in its management by the members, the directors are 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, 2024. This recommendation is subject to the approval of members at the ensuing Annual General Meeting of the Company.

INCREASE IN ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARE CAPITAL

During the year under review, the Company on May 16, 2023 had issued & allotted 30,700 Equity Shares to the eligible employees of the Company pursuant to the Scheme of Sky Industries ESOP 2018, As a result the issued, subscribed and paid up share capital of the Company stands increased from 78,59,841 to 78,90,541.

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, 2023	-	78,59,841
Allotment of 30,700 Equity Shares to the eligible employees of the company pursuant to the scheme of Sky Industries ESOP 2018	30,700	78,90,541
Capital at the end of the year, i.e., as on March 31, 2024	-	78,90,541

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

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

As on March 31, 2024, the Company has one direct subsidiary, namely, Skytech Textiles Private Limited.

Skytech Textiles Private Limited is incorporated on June 12, 2023 and is engaged mainly in the business of Technical Textile and allied products namely Neoprene.

The Company does not have any Joint Venture or Associate Company within the meaning of Section 2(6) of the Act. The Company does not have any material subsidiary as per the relevant provisions of the Act and the SEBI Listing Regulations.

Pursuant to the first proviso to Section 129(3) of the Act read with Rule 5 and 8 of the Companies (Accounts) Rules, 2014, the salient features of the financial statements and performance of subsidiary Company in Form AOC-1 is disclosed under **Annexure -A** and forms part of this Report.

Pursuant to the provisions of Section 136 of the Act, the standalone financial statement, consolidated financial statement of the Company and separate audited financial statement in respect of subsidiary company are available on the website of the Company.

The Company has formulated a Policy for determining material subsidiaries. The said policy is available on the website of the Company at <chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://skycorp.in/wp-content/uploads/2024/04/16.-Policy-for-Material-Subsidiary.pdf>

SKY INDUSTRIES EMPLOYEE STOCK OPTION PLAN – 2018

The Sky Industries Employees Stock Options Plan 2018 (“ESOP 2018”) has been formulated to reward the eligible Employees of the Company and/ or its Subsidiary Company(ies)/Group Company(ies)/ Associate Company(ies) (present or future) in India and/ or outside for their performance and to motivate them to contribute to the growth and profitability of the Company. The Scheme aims to attract and retain talent in the organization. The Company views Employee Stock Options as a means that would enable the Employees to get a share in the value they create for the Company in future.

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**”).

The applicable disclosures as stipulated under the SEBI (“**SBEB Regulations**”), pertaining to the year ended 31st March, 2024, is available on the Company's website at www.skycorp.in

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

Composition

Pursuant to the provisions of Section 149 of the Act and Regulation 17 of the SEBI Listing Regulations, the Board of Directors of the Company is duly constituted with optimum composition of the executive and non-executive Directors including independent woman director. The complete list of Directors of the Company has been provided as part of the Corporate Governance Report. As on March 31, 2024, 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 2023-2024, Mr. M Gopalakrishnan (DIN: 10324513) was appointed as an Additional Director by the Board w.e.f. November 11, 2023 and appointed as a Whole Time Director by members through Postal Ballot dated January 29, 2024 for a period of Three years.

Present Term of Mrs. Sanghamitra Sarangi (DIN:08536750) Independent Director of the Company shall expire on August 13, 2024 your Directors in its meeting held on May 21, 2024 on the

recommendation of Nomination and Remuneration Committee have considered her re-appointment for 2nd Term for the period of Three (3) years with effect from August 14, 2024. Your Directors recommend for your approval by way of Special Resolution at ensuing Annual General Meeting (AGM).

Directors retiring by rotation

Pursuant to the provisions of Section 152 of the Act read with the relevant rules made thereunder, one-third of the Directors are liable to retire by rotation every year and if eligible, offer themselves for re-appointment at the AGM.

Mr. Shailesh S Shah (DIN: 00006154), Managing Director & Mr. Maikal Raorani (DIN: 00037831), Whole Time Director and Chief Financial Officer being longest in the office are liable to retire by rotation at the ensuing 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 SEBI Listing Regulations read with Secretarial Standard-2 on General Meetings, necessary details of Mr. Shailesh S Shah & 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.

Resignation/ Retirement

Mr. Vaibhav Jay Desai (DIN: 06673723) resigned from his position as Director of the Company effective November 10, 2023, citing his desire to concentrate on new business prospects at the subsidiary company, Skytech Textiles Private Limited.

Key Managerial Personnel

During the year under review, Miss Priyal Ruparelia (Membership No.: A71040) was appointed as Company Secretary and Compliance Officer of the Company w.e.f. May 16, 2023.

Further, there was no change in the Key Managerial Personnel of the Company during the year under review.

Independent Directors

Statement on declaration given by Independent Directors

In accordance with Section 149(7) of the Act, all Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16 of the SEBI Listing Regulations.

In the opinion of the Board of Directors, the Independent Directors fulfill the conditions specified in Act read with the Rules made thereunder as well as the SEBI Listing Regulations and are independent from Management, hold the highest

degree of integrity and possess expertise in their respective fields with enormous experience. The terms and conditions of appointment of the Independent Directors are placed on the website of the Company at the web link:chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://skycorp.in/wp-content/uploads/2024/04/Terms_of_appointment_of_independent_director-2.pdf All the Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act and have enrolled their names in the ‘Independent Directors Data Bank’ maintained by Indian Institute of Corporate Affairs. (“IICA”).

Familiarization Programme for Independent Directors

Your Company has in place the familiarization programme for its Independent Directors which is imparted at the time of appointment of an Independent Director on Board as well as annually. The details of Familiarization Programmes are placed on the website of the company and the web link thereto is chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://skycorp.in/wp-content/uploads/2024/04/Independent-Director-Familiarization-Programme-1.pdf

DIRECTORS’ RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, in relation to the audited financial statements of the Company for the year ended March 31, 2024 the Board of Directors hereby confirm that:

- i) In the preparation of the annual accounts for the financial year ended March 31, 2024, the applicable accounting standards have been followed and there were no material departures;
- ii) The Directors have 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 on March 31, 2024 and of the profit of the Company for the year ended on that date;
- iii) The Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- iv) The Directors have prepared the annual accounts on a going concern basis;
- v) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- vi) The Directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

NUMBER OF MEETINGS OF THE BOARD

The Board meets on a regular basis to deliberate and make decisions regarding corporate goals and policies. The Board regularly presents business at meetings and has excellent

operational oversight. In order to facilitate their calendar planning and guarantee significant participation, the board meetings are pre-scheduled.

The Board's consent is obtained only in the event of extraordinary and urgent business, if necessary, by passing resolutions through circulation that are reaffirmed in the ensuing Board meeting and are allowed by law. To help the Directors make well-informed choices, the agenda for the board meetings includes thorough notes on the topics to be discussed.

During the financial year, five (5) meetings of the Board of Directors were held, the details of which are given in the Corporate Governance Report of the Company, which forms a part of the Annual Report. The intervening gap between the meetings was within the prescribed period under the Act and the SEBI Listing Regulations.

INDEPENDENT DIRECTORS

During the year under review, the Independent Directors of the Company met 1 (one) time on March 20, 2024.

ANNUAL BOARD EVALUATION

Pursuant to the provisions of the Act and the SEBI Listing Regulations, the Board has conducted an annual evaluation of its own performance, that of its Committees, and the performance of the Directors individually. Feedback was solicited through a structured questionnaire covering various aspects of the Board's functioning, including the adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties and obligations, and governance. The evaluation was conducted based on the responses received from the Directors.

In a separate meeting of Independent Directors, performance of non-independent Directors, the board as a whole and the Chairperson of the Company were evaluated. Further, the Independent Directors in the said meeting had also assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board. The Independent Directors were satisfied with the overall functioning of the Board, which displayed a high level of commitment and engagement. Performance evaluation of Independent Directors was done by the entire board, excluding the Independent Directors being evaluated.

The performance of the Independent Directors was based on the criteria such as time devoted and attention given to professional obligations for independent decision making and acting in the best interest of the Company, strategic guidance to the Company and help in determining important policies, etc.

The above criteria are based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017. Further, the said criteria were also mentioned in the rating sheets which were filled by each of the Directors during the financial year with regard to the above mentioned performance evaluations.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Individual Directors, the Board as a whole and its Committees with the Company.

COMMITTEES OF THE BOARD

As on March 31, 2024, the Board has constituted the following committees:

- Audit Committee
- Corporate Social Responsibility
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee

During the year, all recommendations made by the committees were approved by the Board.

Details of all the Committees such as terms of reference, composition and meetings held during the year under review are disclosed in the Corporate Governance Report, which forms part of this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY

In compliance with the requirements of section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time, the Board of Directors of the Company has duly constituted a Corporate Social Responsibility (CSR) Committee.

The company's CSR initiatives and activities are aligned to the requirements of Section 135 of the Act. The brief outline of the CSR activities undertaken by the company during the year and the CSR policy of the company is specified in **Annexure-B** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The contents of the CSR Policy as approved by the board are available on the website of the company and can be accessed through the web link at <https://skycorp.in/wp-content/uploads/2023/03/CSR-Policy.pdf>

The details of the Corporate Social Responsibility Committee are given in the Corporate Governance Report which forms part of the Annual Report of the company.

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

At Sky, Human resource has always been of utmost importance as they are the growth drivers and main stay of the organization. Human Resource Development has been defined as the cultivation of employees. Employees being our key stakeholders, the HR initiatives and policies revolve around garnering the opportunities to serve our employees better. Human resource is considered as key to the future growth strategy of the Company and looks upon to focus its efforts to further align human resource policies, processes and initiatives to meet its business needs.

This year, the company's focus has also remained on providing an open work environment that fosters continuous improvement and development. Your company believes in hiring lifelong learners and providing them with an environment that fosters continuous learning, innovation, and leadership development. Additionally, your company believes in fostering long and happy relationships with its employees. The company continuously adopts structures to attract the best external talent and promotes internal talent, helping them realize their career aspirations. Sky aims to establish a healthy, hospitable, and competitive work environment so that its employees can achieve success and set new benchmarks for quality, productivity, efficiency, and customer satisfaction.

NOMINATION AND REMUNERATION POLICY

Pursuant to Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations, your Company has in place a Nomination and Remuneration Policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The policy also lays down criteria for selection and appointment of Board Members.

The Board of Directors of the Company has framed a policy for selection and appointment of Directors including determining qualifications and independence of a Director, Key Managerial Personnel (KMP), Senior Management Personnel and their remuneration as part of its role and other matters provided under Section 178(3) the Act.

For the purpose of selection of any Directors, Key Managerial personnel, Senior Management of the company, the nomination and remuneration identifies person of integrity who possess relevant expertise, experience and leadership qualities required for the position. The Committee also ensures that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Act or other applicable laws.

The said policy has been posted on the website of the Company and the web link thereto is: <https://skycorp.in/sky-policies-adopted/>. The details of this policy are given in the Corporate Governance Report.

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 STATEMENT RELATE AND THE DATE OF THE REPORT

No material changes and commitments have occurred between the end of the Company's financial year of the Company to which the financial statements relate and the date of the report which may affect the financial position of the Company or its status as a "Going Concern".

Nevertheless, effective April 01, 2024 the Company has changed its accounting software from Transactions Allowed in a Linear Line Yard ('TALLY') to Systems, Applications & Products in Data Processing ('SAP') for the advancement in the technology and for the growth of the company, importantly; this transition does not exert any influence on the Company's financial position.

INTERNAL FINANCIAL CONTROL SYSTEMS, THEIR ADEQUACY AND RISK MANAGEMENT

Your Company has an adequate internal audit and control system commensurate with its size and nature of business to ensure operational efficiency, accuracy and promptness in financial reporting and compliance of various laws and regulations. The Audit Committee of the Board of Directors reviews the Internal Audit Report and the adequacy and effectiveness of internal controls on a quarterly basis.

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.

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.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

There is no amount due to be transferred to the IEPF account.

RELATED PARTY TRANSACTIONS

Your Company has in place a Policy on Related Party Transactions for purpose of identification and monitoring of Related Party Transactions and is published on the Company's website at https://skycorp.in/wp-content/uploads/2022/10/11.-RPT-Policy_SKY.pdf

All the related party transactions are placed before the Audit Committee for their review and approval. Prior Omnibus approval is obtained before the commencement of the new financial year, for the transactions which are repetitive in nature and also for the transactions which are not foreseen (subject to financial limit). A statement of all related party transactions is presented before the Audit Committee on a quarterly basis specifying the nature and value of the transactions. All transactions entered with related parties were in compliance with the applicable provisions of the Companies Act, 2013 read with the relevant rules made thereunder and the SEBI Listing Regulations.

All related party transactions entered into by the Company during the financial year under review were in the ordinary course of business and on arm's length basis and the same were in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations. The Company has not entered into any transaction with related parties during the year under review which requires reporting in Form No. AOC-2 in terms of the Section 134(3) and 188(1) of the Act read with Rule 8(1) of the Companies (Accounts) Rules, 2014.

The details of related party transactions are provided in the accompanying financial statements. The transactions entered by the Company during the Financial Year under review were in conformity with the Company's Policy on Related Party Transactions.

Mr. Shailesh S Shah, Managing Director of the company is the brother of Mr. Sharad Shah, Whole Time Director of the Company. Apart from this, there are no other relationships between the Key Managerial Personnel (KMP) inter-se.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY

Details of loans, guarantees or investments are covered under the provisions of Section 186 of the Act during financial year 2023-24 are appended in the notes to Financial Statements forming part of the Annual Report.

DEPOSITS

During the financial year, the Company has not accepted any deposits within the meaning of Section 73 & 76 of the Act, read with the Rules made thereunder, and therefore, no amount of principal or interest on deposit was outstanding as of the Balance Sheet date.

The Company does not have any deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

During the year under review there has been no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future. There is no Corporate Insolvency Resolution Process initiated under the Insolvency and Bankruptcy Code, 2016.

ENVIRONMENT, HEALTH AND SAFETY

Your company ensures strict adherence to all legal standards, with a continued focus on conserving energy and water, increasing the share of green energy in total energy consumption, and reducing waste production.

The management team is actively promoting a culture of safety throughout the organization and maintaining discipline through regular communication and training. The company conducts regular fire safety training and health check-ups for both permanent and contractual employees and workers. Plans are in place to further improve the well-being of the workforce, recognizing that safety culture is an ongoing journey. Additionally, we pledge to provide a secure and healthy work environment across all our offices and production facilities.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Your Company has adopted vigil mechanism in the form of Whistle Blower Policy for its Directors and employees to report

their concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The Vigil Mechanism / Whistle Blower Policy is also published in the Company's website at chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://skycorp.in/wp-content/uploads/2022/10/6.-Vigil-Mechanism-Whistle-Blower-Policy_SKY.pdf

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, 2024

At the 34th Annual General Meeting (AGM) of the Company held on June 30, 2023 Members had approved the re-appointment of CGCA & Associates LLP, Chartered Accountants (Firm Registration No. 123393W) (Earlier known as UKG & Associates) as statutory Auditors of the Company for the second term from the conclusion of 34th Annual General Meeting to the Conclusion of 39th Annual General Meeting to be held in the year 2028.

The Auditor's report on the Financial Statements for the year ended March 31, 2024, is unmodified and does not contain any qualification, adverse remark, disclaimer, reservation and notes thereto are self-explanatory and do not require any clarifications or explanations. The Auditors have 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, 2024

The Board of Directors of the Company had appointed Ramesh Chandra Mishra & Associates, Company Secretary in practice (Membership No.: 5477 Certificate of Practice No. 3987), as Secretarial Auditor to undertake the Secretarial Audit of the Company for the Financial Year ended March 31, 2024 pursuant to the provisions of Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Secretarial Audit Report is included in **Annexure-C** and forms an integral part of the report. The Secretarial Audit Report is unmodified and does not contain any qualification, reservation, adverse remark, disclaimer and notes thereto are self-explanatory and do not require any clarifications or explanations. The Secretarial Auditor have 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

Pursuant to the terms of Section 92(3) of the Act 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.

CORPORATE GOVERNANCE

Your Company is dedicated to upholding the highest standards of corporate conduct and sound corporate governance. Additionally, it has satisfied with all of the requirements set forth by the Stock Exchange where its securities are listed as well as of the Securities and Exchange Board of India (The 'SEBI').

The SEBI Listing Regulations, as well as any other applicable rules and regulations pertaining to corporate governance, have been complied with, by your company for the financial year ended March 31, 2024. A separate report on corporate governance is appended hereto and forms part of this report together with the necessary certificate from Ramesh Chandra Mishra & Associates, Practicing Company Secretary.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34 read with Schedule V of the SEBI 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

Your Company has in place a Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The objective of this policy is to lay clear guidelines and provide right direction in case of any reported incidence of sexual harassment across the Company's offices, and take appropriate decision in resolving such issues.

All women employees whether permanent, temporary or contractual are covered under the above policy. The said policy has been uploaded on Company's website at <https://skycorp.in/sky-policies-adopted/>

An Internal Complaint Committee (ICC) has been set up in compliance under POSH to redress the complaints received regarding sexual harassment. During the financial year under review, no complaints with respect to sexual harassment were received and resolved by the Committee.

The details of complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during FY 2023-24 are as follows:

Number of complaints at the beginning of the financial year	0
Number of complaints filed and resolved during the financial year	0
Number of complaints pending at the end of the financial year	0

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

The disclosure of particulars regarding the Conservation of Energy, Technology Absorption, and Foreign Exchange Earnings and Outgo as required under Sub-section (3)(m) of Section 134 of the Act, read with Rule 8 (3) Companies (Accounts) Rules, 2014 is annexed as **Annexure-D** and forms an integral part of this Directors' Report.

SECRETARIAL STANDARDS COMPLIANCES

During the year under review, your 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 Act.

GREEN INITIATIVES

As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, and Securities & Exchange Board of India enabling electronic delivery of documents including the Annual Report to shareholders at their e-mail address registered with the Depository Participant (DPs) and Registrar and Transfer Agent (RTA).

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, which 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 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.

The various policies and codes adopted by the Company are stated in detail in the Corporate Governance Report of the Company, which forms part of the Annual Report.

CAUTIONARY STATEMENT

Statements in this Board of Directors' Report and Management Discussion and Analysis Report that describe the Company's objectives, projections, estimates or expectations may constitute forward-looking statements under applicable securities laws and

regulations. Actual results may differ materially from those expressed or implied. Important factors that may affect the Company's operations include the availability and prices of raw materials, cyclical demand and prices in the Company's main markets, changes in government regulations, tax systems, economic developments in India and the countries where the Company does business and other aids services 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 Behalf of the Board of Directors
SKY INDUSTRIES LIMITED

Date : May 21, 2024
Place : Mumbai

Shailesh S Shah
Managing Director
DIN:00006154

Maikal Raorani
Whole Time Director & CFO
DIN:00037831

ANNEXURE A

FORM AOC-1

[Pursuant to first proviso to sub – section (3) of Section 129 read with Rule 5 of Companies (Account) Rules, 2014]

Statement containing salient features of Financial Statements of Subsidiaries / Associate Companies / Joint Ventures

Part “A” – Subsidiaries

Sr. No	Name of Subsidiary Company	Date since when subsidiary was acquired	Reporting Period	Reporting Currency & Exchange Rate as on the last date of the relevant financial year in the case of foreign subsidiary	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover/ Total Income	Profit Before Taxation	Provision for Taxation	Proposed Dividend	(Rs. In Lakhs)	% of Shareholding
1.	Skytech Textiles Private Limited	12-06-2023	12-06-2023 to 31-03-2024	NA	1.00	(11.75)	144.40	155.14	-	14.45	(11.17)	-	NIL		99.98%

For and Behalf of the Board of Directors
SKY INDUSTRIES LIMITED

Date : May 21, 2024

Place : Mumbai

Shailesh S Shah
Managing Director
DIN:00006154

Maikal Raorani
Whole Time Director & CFO
DIN:00037831

Priyal Ruparelia
Company Secretary
ICSI M No.: A71040

ANNEXURE B

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 S Mishra	Chairperson /Independent Director	1	1
2	Mr. Amarendra Mohapatra	Member / Independent Director	1	1
3	Mr. Maikal Raorani	Member / Whole Time Director and Chief Financial Officer	1	1
4	Mrs. Sanghamitra Sarangi	Member / Independent Director	1	1

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 Rs)
a)	Average net profit of the company as per sub-section (5) of section 135.	3,74,29,258
b)	Two percent of average net profit of the company as per sub-section (5) of section 135.	7,48,585
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)].	7,48,585

		(in Rs.)
a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).	7,50,000
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)].	7,50,000

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.
7,50,000	-		-	-	-

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	7,48,585
(ii)	Total amount spent for the Financial Year	7,50,000
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	1,415
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	85,882
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	87,297

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 21, 2024
Place : Mumbai

ANNEXURE C

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2024
 [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
C-58 TTC INDL AREA THANE BELAPUR ROAD PAWANE,
NAVI MUMBAI, Maharashtra, India, 400705

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, 2024 (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, 2024 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:

1. During the year under review the company allotted 30,700 Equity Shares pursuant to exercise of vested stock options under Sky Industries Employees Stock Option Plan 2018 ('ESOP 2018') on 16th May, 2023.

21-05-2024
Mumbai

For **Ramesh Chandra Mishra & Associates**

sd/-
Ramesh Mishra
Company Secretary In Practice
FCS: 5477
PCS: 3987
Peer Review Certificate No. 1133/2021
UDIN NO.:- F005477F000410068

(This report is to be read with our letter of even date which is annexed as Annexure - A and forms an integral part of this report)

ANNEXURE (A) TO THE SECRETARIAL AUDIT REPORT

To
The Members
Sky Industries Limited
CIN: L17120MH1989PLC052645
C-58 TTC INDL AREA THANE BELAPUR ROAD PAWANE,
NAVI MUMBAI, Maharashtra, India, 400705

Our report of even date is to read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

21-05-2024
Mumbai

For **Ramesh Chandra Mishra & Associates**

sd/-
Ramesh Mishra
Company Secretary In Practice
FCS: 5477
PCS: 3987
Peer Review Certificate No. 1133/2021
UDIN NO.:- F005477F000410068

ANNEXURE D

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

This information, which is a component of the Board's Report, is provided below and is in accordance with section 134 (3) (m) of the Companies Act, 2013 as well as rule 8 (3) of the Companies (Accounts) Rules, 2014 for the year ending March 31, 2024.

A. CONSERVATION OF ENERGY

Your Company is dedicated to carry out the systematic efforts to reduce energy consumption and optimize energy usage across its operations in 2023-2024, supporting environmental preservation and viewing energy conservation as one of the keystones of protecting the environment. The Company continuously attempts to minimize the consumption of energy by incorporation of various energy efficient practices. The Vashi & Bhiwandi factories have installed energy efficient systems to conserve energy on a sustainable basis. The Company is also emphasizing on utilizing natural resources of energy in its business activity. Your company's main goal is to give clients significant benefits in the form of lower emissions and pollutants as well as affordable, environmentally friendly energy options.

I. Steps taken or impact on conservation of energy:

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

1. Reduced use of electricity in Vashi & Bhiwandi Factory;
2. 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. Environment friendly practices for reduction of power consumption, optimum water consumption, eliminating excess use of paper and usage of eco-friendly products;
7. Using high efficiency pumps, motors and other equipment's / machineries;
8. Adopting new technologies.

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

II. The steps taken by the company for utilising alternate sources of energy: NA

III. The Capital investment on energy conservation equipment's: The Company has not incurred major capital investment on energy conservation equipment's but focused on optimum utilization of available resources.

B. TECHNOLOGY ABSORPTION

I. The efforts made towards technology absorption:

The Company is continuously taking efforts for improvement in existing or the development/ deployment of new technologies to speed up the process and make production more efficient. The Company makes in depth planning of production activities/ procedures which in turn results in stable levels of quality, shorter time lines and reduced consumptions of man and materials at site.

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

Your company's efforts in developing and implementing new technologies provides a competitive edge, boost production, lowers costs, increases efficiency, and improves the overall quality of the items it produces. Through a decrease in waste, emissions, and power usage, these initiatives will also help the company's sustainability initiatives.

III. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

The Company has not imported any technology during the year under review.

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 2023-24	FY 2022-23
Foreign Exchange Earned	1288.39	977.89
Foreign Exchange Used	2960.52	3759.35

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	10.83
		Mr. Sharad S. Shah	6.50
		Mr. Maikal Raorani	5.41
		Mr. M Gopalakrishnan	1.40
		Mr. Amarendra Mohapatra	-
		Mrs. Sanghamitra Sarangi	-
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	0
		Mr. Maikal Raorani	0
		Mr. M Gopalakrishnan*	NA
		Mr. Amarendra Mohapatra	-
		Mrs. Sanghamitra Sarangi	-
		Mr. Lokanath Mishra	-
Miss. Priyal Ruparelia*	NA		
3	The percentage increase/decrease in the median remuneration of employees in the financial year.	During FY 2023-24, the percentage decrease in the median remuneration of employees as compared to previous year was approximately 14.06%	
4	The number of permanent employees on the rolls of Company.	There were 67 employees as on March 31, 2024	
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 3-4%. However, during the course of the year, the total average increase is approximately 3%, 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.	

*Since the remuneration paid to Mr. M Gopalakrishnan & Miss Priyal Ruparelia in previous year was for part of the year, the percentage increase in remuneration is not comparable and hence, not stated.

- Remuneration paid to Mr. M Gopalakrishnan w.e.f. November 11, 2023
- Remuneration paid to Miss Priyal Ruparelia w.e.f. May 16, 2023

Notes:

1. The median remuneration of all the employees of the Company was **Rs.5.54 Lakhs**. For this purpose, Sitting Fees paid to the Directors has not been considered as remuneration;
2. 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 {" SEBI Listing Regulations"} and forming a part of the report of the Board of Directors]

1. Company's philosophy on Corporate Governance

Sky Industries Limited ("The Company/ SKY") believes that good Corporate Governance upholds transparency, integrity, accountability and is an important component in enhancing shareholder's value. The corporate governance philosophy of your Company is based on its core values; Persistent, Confident, Resilient. It materialises from the application of the best management and ethical practices and compliance with the laws coupled with highest standard of transparency, trust, accountability and business ethics.

Good Corporate Governance helps to promote long term investment, financial stability and business integrity. Our Corporate Governance framework endeavours that we make timely disclosures and share relevant information regarding the governance and leadership as well as financial performance of the company. The company is committed in its responsibility towards customers, the environment in which it operates, community, employees, vendors, business partners and wider communities we serve. The Corporate Governance framework ensures effective engagement with stakeholders and helps the company evolve with the changing times. The guiding principles and practices are summarised in this Corporate Governance report.

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 the SEBI Listing Regulations, as applicable, with regard to corporate governance.

2. Board of Directors

For an effective Corporate Governance, The Company trusts that an active and independent requirement of Board is vital. SKY consists of an ideal synthesis of Executive and Non-Executive Directors including Independent Women Director which plays a pivotal role in ensuring good standards of corporate governance practices in the Company.

Size and Composition-

The composition of the Board as on March 31, 2024, consists of eight Directors out of which four (4) are Whole Time Directors and four (4) are Non-Executive Independent Directors (including one Independent Woman Director).

The composition of the Board of Directors of the Company is in accordance with the SEBI Listing Regulations and the Companies Act, 2013 (the "Act").

Independent Directors-

The term "Independent Director" has been defined under Section 149 of the Act and the rules made thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations. In terms of Section 149(7) of the Act, 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 Act, and the SEBI Listing Regulations. Based on the disclosures received from the Independent Director, the Board verifies the legitimacy of such disclosure and confirms that they are in conformity of the Independence and are compliant with the Act and the SEBI Listing Regulations.

Further all Independent Directors have confirmed that there exists no circumstance which could affect their status as Independent and they are not aware of any circumstance which exist or maybe reasonably estimated which would impart or affect their ability to discharge duties. All the Independent Directors are in compliance with the limit of the Independent Director as specified in Regulation 17A of the SEBI Listing Regulations. During the financial year ended March 31, 2024, none of the Independent Director of the Company has resigned as an Independent Director from the Board of Directors of the Company. 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) the SEBI Listing Regulations) across all the Companies in which they are Directors.

Pursuant to regulation 46 of the SEBI Listing Regulations the terms and conditions for the appointment of Independent director are available on the website of the Company at www.skycorp.in

Board Procedure-

The Board Meeting is conducted at regular intervals i.e. at least once in every quarter to discuss and decide the business strategies, policies and to review the performance of the Company. 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 2023-2024-

Five (5) Board Meetings were held during the year under review and the gap between the two meetings did not exceed 120 days. The meetings were held on the following dates:

Board Meeting Dates	May 16, 2023	August 11, 2023	November 09, 2023	February 08, 2024	March 07, 2024
Mode of Meeting	Through Video-Conferencing				

Attendance, Directorships and Committee positions –

Name of the Director & DIN	Category of Director	Directorship as on March 31, 2024		Attendance at meetings held during the financial year 2023-24		Number of Committee Membership in other Companies (including Sky Industries Limited)	
		Total no. of Directorships as on March 31, 2024 (excluding Sky Industries Limited)	Directorship held in other Listed Company	Board (Out of 5)	AGM held on June 30, 2023	Chairperson	Member
Mr. Shailesh S Shah (DIN: 00006154)	Promoter, Managing Director	2	0	5	1	0	0
Mr. Maikal Bhupendra Raorani (DIN: 00037831)	Whole Time Director and Chief Financial Officer	2	0	5	1	0	2
Mr. Sharad Suryakant Shah (DIN: 00006114)	Promoter, Whole Time Director	1	0	5	1	0	0
Mr. Vaibhav Jay Desai (DIN: 06673723) (Up to November 09, 2023)	Whole Time Director	1	0	3	1	0	0
Mr. M Gopalakrishnan (DIN: 10324513) (w.e.f. November 10, 2023)	Whole Time Director	0	0	2	NA	0	0
Mr. Amarendra Mohapatra (DIN: 03609521)	Non-Executive - Independent Director, Chairperson	4	0	5	1	0	2
Mr. Lokanath S Mishra (DIN: 03364948)	Non-Executive - Independent Director	5	2	5	1	4	6
Mr. Nitin Arvind Oza (DIN: 03198502)	Non-Executive - Independent Director	2	2	5	1	1	4
Mrs. Sanghamitra Sarangi (DIN: 08536750)	Non-Executive - Independent Director	2	2	5	1	1	4

Notes:

- While considering the total number of directorships, directorships in foreign companies and companies incorporated under Section 8 of the Companies Act, 2013 have been excluded.
- While calculating number of Membership of Committee in other Companies, it includes Audit Committee, and Stakeholders' Relationship Committee of Public Companies (listed and unlisted) only.
- In terms of Part C of Schedule V of the SEBI 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 the information referred above 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 the SEBI Listing Regulations.
- The Members of the company vide its resolution appointed Mr. M Gopalakrishnan as a Whole Time Director of the Company for tenure of Three (3) years w.e.f. November 10, 2023 to November 09, 2026

Familiarisation Programmes-

SKY has conducted Familiarisation Programme for the Independent Directors during the year. The Company periodically updates the Board and Committee meetings on its business and performance in order to acquaint the Independent Directors with the organization. It also updates the Independent Directors regarding the worldwide business environment, the business plan, and the risk involved, as well as their respective responsibilities, rights, and roles within the Company; the nature of the industry in which the Company operates; the Company's business model; and other relevant topics.

The details of such programmes for familiarization of Independent Directors with the Company are available at the website of the Company at the weblink <https://skycorp.in/wp-content/uploads/2024/04/Independent-Director-Familiarization-Programme-1.pdf>

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

The Board of the Company 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. The table below summarises the list of core skills/expertise/ competencies identified by the Board of Directors for effectively conducting the business of the Company and are available with the Board.

In terms of the SEBI 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:

- Accounting & Finance
- Business Operations
- Business Development
- Corporate Governance
- Risk Management
- Strategy
- Human Resource Management

The table below also mentions the specific areas of expertise of individual Director against each skill/ expertise/competence:

Name of the Director	Area of Expertise						
	Accounting & Finance	Business Operations	Business Development	Corporate Governance	Risk Management	Strategy	Human Resource Management
Mr. Shailesh S Shah	✓	✓	✓	✓	✓	✓	
Mr. Maikal Bhupendra Raorani	✓	✓		✓	✓	✓	✓
Mr. Sharad Suryakant Shah		✓	✓	✓	✓	✓	✓
Mr. M Gopalakrishnan		✓	✓	✓	✓	✓	✓
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 SEBI Listing Regulations, read with the provisions of Section 177 of the Act. All the Members of the Audit Committee are financially literate and capable of analyzing Financial Statements of the Company.

The present composition of the Audit Committee is in accordance with the provisions of the Act and the rules made thereunder and the SEBI Listing Regulations, it consists of Three (3) Non-Executive Independent Directors and one (1) Executive Director as on March 31, 2024. The Chairperson of the Audit Committee is an Independent Director. The Company Secretary & Compliance Officer acts as the Secretary to the Committee. The Statutory Auditors and Internal Auditors are invitees to the Committee meetings.

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;
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;
21. 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 existing as on the date of coming into force of this provision; and
22. Consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

Mandatorily review the following information:

- 1) Management discussion and analysis of financial condition and results of operations;
- 2) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- 3) Internal audit reports relating to internal control weaknesses;
- 4) The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the audit committee;

- 5) Statement of deviations;
- Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1);
 - 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 –

During the Financial year 2023-24, the Audit Committee met Four (4) times. The composition of the committee, date of the meeting and attendance of the Audit committee meetings is given below:

Name of Members	Category	Meeting Dates	May 16, 2023	August 11, 2023	November 09, 2023	February 08, 2024
		Mode of Meeting	Through Video-Conferencing			
		No of Meetings Attended				
Mr. Lokanath S Mishra (Chairperson)	Independent Director	4	✓	✓	✓	✓
Mr. Amarendra Mohapatra (Member)	Independent Director	4	✓	✓	✓	✓
Mrs. Sanghamitra Sarangi (Member)	Independent Director	4	✓	✓	✓	✓
Mr. Maikal Bhupendra Raorani (Member)	Whole Time Director & Chief Financial Officer	4	✓	✓	✓	✓

The Functional Heads, Internal Auditors, Representatives of Statutory Auditors attend the meetings of Audit Committee from time to time. The Chairperson of the Audit Committee Meeting was present at the 34th Annual General Meeting held on June 30, 2023.

4. Nomination and Remuneration Committee

The Nomination and Remuneration Committee (“NRC”) of the Company is duly constituted as per Regulation 19 of the SEBI Listing Regulations, read with the provisions of Section 178 of the Act.

The present composition of the NRC is in accordance with the provisions of the Act and the rules made thereunder and the SEBI Listing Regulations, it consists of Three (3) Non-Executive Independent Directors as on March 31, 2024. The Nomination and Remuneration Committee recommends the nomination of Directors, and carries out evaluation of performance of individual Directors. Besides, it recommends remuneration policy for Directors, Key Managerial Personnel and the Senior Management of the Company.

Terms of Reference-

The brief terms of reference of the Nomination and Remuneration Committee include the following:

- 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;
- 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 such description. For the purpose of identifying suitable candidates, the committee may:

- Use the services of an external agencies, if required
 - Consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - Consider the time commitments of the candidates.
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
 - Devising a policy on diversity of board of directors;
 - 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;
 - 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;
 - Recommend to the board, all remuneration, in whatever form, payable to senior management.

Composition, Meetings and Attendance –

During the Financial Year 2023–24 Nomination and Remuneration Committee met 2 (two) times. The Composition of the Committee, date of the meetings and attendance of Nomination and Remuneration Committee members in the said meetings is given below:

Name of Members	Category	Meeting Dates	May 16, 2023	November 09, 2023
		Mode of Meeting	Through Video-Conferencing	
		No of Meetings attended		
Mr. Lokanath S Mishra (Chairperson)	Independent Director	2	✓	✓
Mr. Amarendra Mohapatra (Member)	Independent Director	2	✓	✓
Mrs. Sanghamitra Sarangi (Member)	Independent Director	2	✓	✓

Performance evaluation criteria for Independent Directors-

The Annual Performance Evaluation as required under the act read with relevant rules made thereunder and Regulation 17(10) and other applicable regulations of the SEBI Listing Regulations has been carried out by the Board of its own performance, of each individual Director including chairperson and its Committees. An indicative list of factors that may be evaluated includes participation and contribution by a director, effective deployment of knowledge and expertise, conduct and commitment. 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.

The re-appointment or extension of term and the remuneration of Executive Directors and Non-Executive Directors is subject to the performance evaluation process undertaken by the Board (excluding the director being evaluated). The details of the process of performance evaluation carried out by the Company including that of the Independent Directors for the financial year 2023-24 forms part of the Board's Report.

5. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee ("SRC") is constituted as per the requirements of Regulation 20 of the SEBI Listing Regulations and Section 178 of The Act.

It consists of four (4) members out of which three (3) are non- Executive Directors and one (1) is Executive Director as on March 31, 2024. The Chairperson of Stakeholders Relationship Committee, Mr. Lokanath S Mishra is an Independent Director and attends the Annual General Meeting to answer the queries raised by the Shareholders / Security holders, if any.

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.

Composition, Meetings and Attendance –

During the Financial Year 2023–24 the Stakeholders Relationship Committee met two (2) 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	May 16, 2023	February 08, 2024
		Mode of Meeting	Through Video-Conferencing	
		No of Meetings attended		
Mr. Lokanath S Mishra (Chairperson)	Independent Director	2	✓	✓
Mr. Amarendra Mohapatra (Member)	Independent Director	2	✓	✓
Mrs. Sanghamitra Sarangi (Member)	Independent Director	2	✓	✓
Mr. Maikal Raorani (Member)	Whole Time Director & Chief Financial Officer	2	✓	✓

Name, designation and contact details of the Compliance Officer –

Miss Priyal Ruparelia, Company Secretary and Compliance Officer (ICSI M. NO.: A71040), is the Compliance Officer 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
- <https://skycorp.in/>

Status of investors' complaints as on March 31, 2024 –

During the year, **Four (4)** Complaints were received through the SCORES portal of SEBI. No request for Share Transfer or Dematerialisation was pending for approval as on March 31, 2024.

The details of shareholders' complaints received and disposed of, during the year under review are as under:

No. of Investor complaints pending at the beginning	0
No. of Investor complaints received	4
No. of Investor complaints disposed off	4
No. of Investor complaints unresolved	0

Senior Management Personnel:

Particulars of senior management including the changes therein since the close of the previous financial year:

Particulars of Senior Management:

Given below is the list of members of Senior Management of the Company

S r. No.	Members of Senior Management Team	Role / Designation
1.	Mr. Balaji R. Iyengar	General Manager - Sales
2.	Mr. Chandrashekhar	Senior Manager - Operations
3.	Mr. Swamidass Pauldevadason	General Manager - Accounts & Taxation
4.	Mr. Uday Goud	Manager Sales
5.	Mr. Ajay Kumar*	DGM HR/IR
6.	Mr. George Punnoose	Deputy General Manager - Exports
7.	Mrs. Saloni Dedhia	Manager - Business Strategy
8.	Miss Priyal Ruparelia	Company Secretary & Compliance Officer
9.	Mr. Satish Vijay Deshpande	Head -Product Development
10.	Mr. Sanjay Jain	Deputy General Manager - International Business
11.	Mr. Kapil Mehrotra	Zonal Head-Institutional Sales

*Mr. Ajay Kumar up to June 11, 2024.

6. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee (“CSR”) has been constituted as per the provisions of Section 135 of the Act and other applicable provisions of Companies (Corporate Social Responsibility Policies) Rules, 2014. The Committee comprises of Four (4) Directors out of which three (3) are Independent Director and one (1) is a Whole Time Director. The Chairperson of the committee is an Independent Director.

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.

Composition, Meetings and Attendance –

During the Financial Year 2023–24 the Corporate Social Responsibility Committee met once (1). 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 02, 2023
		Mode of Meeting	Through Video-Conferencing
No of Meetings attended			
Mr. Lokanath S Mishra (Chairperson)	Independent Director	1	✓
Mr. Amarendra Mohapatra (Member)	Independent Director	1	✓
Mr. Maikal Raorani (Member)	Whole Time Director and Chief Financial Officer	1	✓
Mrs. Sanghamitra Sarangi (Member)	Independent Director	1	✓

The Report on CSR Activities as required to be given under Section 135 of the Act 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.

The CSR Policy is published on the website of the Company at <https://skycorp.in/wp-content/uploads/2023/03/CSR-Policy.pdf>

CSR initiatives undertaken by the Company during the FY 2023-24

During the Financial Year 2023–24, the Company contributed Rs. 7,50,000 on CSR. There is an excess of Rs 87,415 that can be written off in the ensuing Financial Years.

7. Remuneration of Directors

A. Policy on Remuneration

The company views its human resources as one of its most valuable assets. The remuneration policy supports fair remuneration for all directors, senior managers, and staff members in accordance with the organization’s objectives.

The goal of the company’s remuneration strategy is to draw in skilled executives and remunerate them in a fair and responsible manner. This process is ongoing and continuous at every level of the organization. The Nomination and Remuneration policy of the Company is circulated on the website of the Company at https://skycorp.in/wp-content/uploads/2022/10/Nomination-and-Remuneration-Policy-NRC_SKY.pdf

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 remuneration of the Non- Executive / Independent Directors shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The total amount of sitting fees paid

to Independent Directors during the Financial Year ended March 31, 2024 is Rs 2, 00,000. Details of remuneration paid to the Non-Executive Independent Directors for the year ended March 31, 2024 are as follows:

(Rs. In lakhs)

Name of the Director	Sitting Fees	Commission	Total	Shareholding
Mr. Amarendra Mohapatra	0.50	-	0.50	-
Mr. Lokanath S Mishra	0.50	-	0.50	-
Mr. Nitin Arvind Oza	0.50	-	0.50	-
Mrs. Sanghamitra Sarangi	0.50	-	0.50	-

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 Remuneration/ Commission, etc. to be paid to the Managing Director / Whole-time Directors, etc. shall be governed as per the provisions of the Act and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company. Whole Time Directors are remunerated by way of salary and commission. The remuneration of Whole Time Directors comprises of basic salary, perquisites, allowances and performance incentives (wherever paid). Perquisites and retirement benefits are paid according to the Company policy.

Recommendations shall be made by the nomination and remuneration committee as it may consider appropriate with regard to the remuneration to be paid to the Managing Directors/ Whole Time Directors of the Company.

(Rs. In lakhs)

Name of the Director	Salary	Commission	Total	Shareholding as on March 31, 2024
Mr. Shailesh S Shah	60	-	60	27,80,623
Mr. Maikal Bhupendra Raorani	30	-	30	42,300
Mr. Sharad Suryakant Shah	36	-	36	11,62,043
*Mr. Vaibhav Jay Desai	10.95	-	10.95	15,903
#Mr. M Gopalakrishnan	7.83	-	7.83	-

*Mr. Vaibhav Desai upto November 09, 2023

#Mr. Mani Gopalakrishnan appointed as a Whole Time Director w.e.f. November 10, 2023

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
32 nd	2020-2021	Tuesday, June 29, 2021 11:00 a.m.	Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")	-
33 rd	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 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>

AGM	Financial Year	Day, Date and Time	Venue	Details of Special Resolution Passed
34 th	2022-23	Friday, June 30, 2023 11:00 a.m.	Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”)	A) Re-appointment of Mr. Vaibhav Jay Desai (DIN:06673723) as Whole Time Director. B) Re-appointment of Mr. Amarendra Mohapatra (DIN:03609521), as an Independent Director.

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

B) Extraordinary General Meetings-

No Extraordinary General Meetings were held during the financial year 2023-24 i.e. the year under review.

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
2023-2024	Monday, January 29, 2024	Special Resolution	Appointment of Mr. M Gopalakrishnan (DIN:10324513) as Whole Time 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. M Gopalakrishnan (DIN:10324513) as Whole Time Director of the Company.	51,58,797	51,58,794	3	100	0

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 2024-25, 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 Act if any, read with the Companies (Management and Administration) Rules, 2014, 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 SEBI Listing Regulations, Secretarial Standard on General Meetings (“SS-2”) issued by The Institute of Company Secretaries of India. The Shareholders are provided with 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 Act.

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 consolidated results of the voting are announced within two 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 are deemed to have been passed on the last date specified for receipt of duly completed postal ballot forms or e-voting, if the resolutions are passed by requisite majority.

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 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.
Website	All the information and disclosures required to be disseminated as per Regulation 46(2) of the SEBI Listing Regulations and The Companies Act, 2013 are being posted at Company's website: https://skycorp.in/ All the official news releases and presentations on significant developments in the Company to the institutional investors or analysts are hosted on Company's website https://skycorp.in/ and provided to the Stock Exchanges https://www.bseindia.com/ The Company ensures necessary updation of details pertaining to calls or presentations to institutional investors or analysts to the Stock Exchanges and also uploads the same on the website of the Company.
Designated e-mail address for investor services	To serve the investors better and as required under the SEBI Listing Regulations, the designated e-mail address for investors complaints is corporate@skycorp.in

10. General Shareholder Information

a) Annual General Meeting - Date, Time and Venue	35th 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	July 11, 2024 (before 7 working days)
d) Dividend Payment Date	On or before August 16, 2024. 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.
g) CIN	L17120MH1989PLC052645
h) Name and Address of Stock Exchanges where Company's securities are listed	BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001, India.
i) Stock Code / Symbol	526479
j) Listing fees	The Annual Listing fees for the financial year 2024-25 have been paid to BSE Limited.
k) 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 6000 Fax No.: +91-22-4918 6060 Investor query registration: rnt.helpdesk@linkintime.co.in
l) Company Secretary & Compliance officer	Miss Priyal Ruparelia (w.e.f. May 16, 2023)

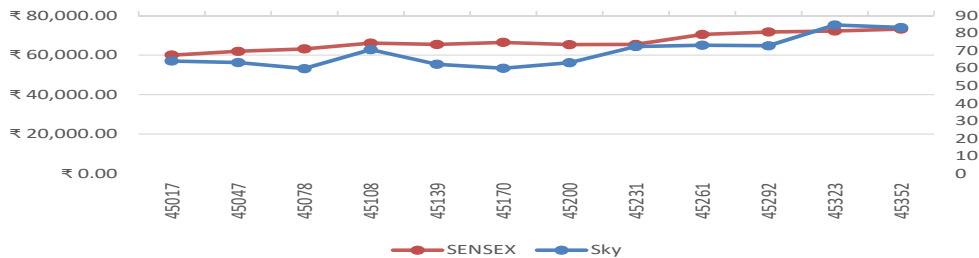
m) Tentative Financial Calendar

Financial Year	April 01, 2024 to March 31, 2025
Adoption of Quarterly Results for the quarter ending:	
June, 2024	First Week of August, 2024
September, 2024	Last week of October / 1st week of November, 2024
December, 2024	Last week of January / 1st week of February, 2025
March, 2025	First / Second Week of May, 2025

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

Month	BSE Limited		
	High (₹)	Low (₹)	Volume (₹)
April, 2023	67.97	60.00	8,47,832
May, 2023	67.90	58.32	13,70,615
June, 2023	78	60.12	30,75,651
July, 2023	87.70	63.50	1,27,31,412
August, 2023	79.60	56.05	1,78,12,266
September, 2023	64.90	57	45,40,808
October, 2023	72.50	55.50	83,55,089
November, 2023	89.40	61.15	3,82,76,643
December, 2023	79.50	68.40	71,94,263
January, 2024	78.30	68.20	79,38,765
February, 2024	102.40	69	5,60,72,877
March, 2024	93.00	75.01	1,09,12,588

Performance in comparison to broad based indices BSE Sensex



o) Share Transfer System

In terms of Regulation 40(1) of the SEBI Listing Regulations, SEBI has amended that the 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. Accordingly the Company and its RTA are not accepting any requests for fresh lodgement of transfers of shares in physical form. However, investors are not barred from holding shares in physical form.

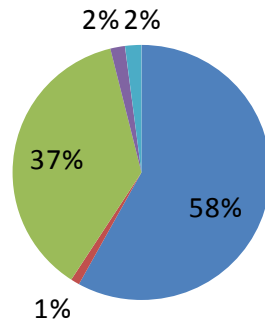
Transfers in electronic form are much simple, cheaper and quick as the shareholders have to approach their respective depository participants and transfers are processed by National Securities Depositories Limited (NSDL).

p) Shareholding Pattern (Equity) as on March 31, 2024

	No. of Shares	%
Promoter	45,84,916	58.11
Non Resident Indian	86,442	1.10
Public	29,10,314	36.88
Body Corporate	1,44,915	1.84
Others	1,63,954	2.07
Total	78,90,541	100

No of Shares

■ Promoter ■ Non Resident Indian ■ Public ■ Body Corporate ■ Others



q) Distribution of Shareholding as on March 31, 2024

Sr. No	Shareholding of Shares	Number of Shareholders	% of Total Shareholders	Shares	% of Total Share Capital
1	1 to 500	2900	85.7481	334582	4.2403
2	501 to 1000	200	5.9137	166253	2.107
3	1001 to 2000	114	3.3708	167879	2.1276
4	2001 to 3000	41	1.2123	104657	1.3264
5	3001 to 4000	19	0.5618	65232	0.8267
6	4001 to 5000	26	0.7688	118034	1.4959
7	5001 to 10000	35	1.0349	258131	3.2714
8	10001 and above	48	1.3897	6675773	84.6048

r) Dematerialization of Shares and Liquidity

96.79% of the Paid-up Capital is held in Dematerialised form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on March 31, 2024 under ISIN No: **INE765B01018**

Particulars	NSDL	CDSL	Physical	Total
Shares	5710823	1926472	253246	7890541
Shares (%)	72.38%	24.41%	3.21	100

s) Outstanding GDRs/ ADRs/ Warrants

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

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

During the year 2023-24, the Company has succeeded to manage the foreign exchange risk and hedged to the extent considered necessary. The exposure to currency risk has been explained in detail in the notes to the financial statements.

u) Plant Locations

- Plot No. C-58, C-57/1 & C-57/2 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-421302

v) **List of all credit rating**

Following is the summary of latest credit ratings obtained of the Company:

Long Term Rating	CRISIL BB+/Stable
Short Term Rating	CRISIL A4+

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 Regulations**

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, 2023	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, 2024	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 under review, all the related party transactions that were entered into were on an arm's length basis and in the ordinary course of business, and there were no material related party transactions that had potential conflict with the interest of the Company at large. The details of the transactions with the related parties are placed before the Audit Committee on a quarterly basis in compliance with the provisions of Section 177 of the Act, and Rules framed thereunder and Regulation 23 of the SEBI Listing Regulations. Details of Related Party Transactions are disclosed in the notes to the Financial Statements as per the applicable Indian Accounting Standards.

b) **Details of Non-Compliance by the listed entity, penalties, strictures 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:**

The Company has complied with all the requirements of the Stock Exchanges, SEBI or any other statutory authority(ies) on any matter related to capital markets during the last three years and no penalties, strictures have been imposed against it in relation to the capital markets by such authorities during such period.

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

The Company has put in place a mechanism for employees to report to the Management, concerns about unethical behaviour, actual or suspected fraud or violation of the Companies Code of Conduct or Ethics Policy. The said Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the higher levels of supervisors, managers including the Audit Committee. We confirm that during the financial year 2023-24 no employee of the Company was denied access to the Chairperson of the Audit Committee. The Whistle Blower

Policy is displayed on the Company's website viz. https://skycorp.in/wp-content/uploads/2022/10/6.-Vigil-Mechanism-Whistle-Blower-Policy_SKY.pdf

This policy also provides for adequate safeguards against victimization of employees who avail of the mechanism and provides for direct access to the Ombudsperson/Audit Committee Chairperson under the Code.

No personnel have been denied access to the Audit Committee.

d) Details of compliance with all the mandatory requirements and adoption of the non-mandatory requirements:

The Company has complied with all the mandatory requirements of the SEBI Listing Regulations relating to corporate governance.

e) Web Link where policy for determining 'material' subsidiaries is disclosed:

To determine 'material subsidiary', the Company has adopted a 'Policy for Determining Material Subsidiary' and the same has been hosted on the website of the Company on the following web link; <https://skycorp.in/wp-content/uploads/2024/04/16.-Policy-for-Material-Subsidiary.pdf>

The Audit Committee reviews the financial statements and in particular, the investments made by the unlisted subsidiary companies. The minutes of the Board meetings of the subsidiaries are placed at the meeting of the Board of Directors of the Company. The management of the unlisted subsidiary periodically brings to the notice of the Board of Directors of the Company a statement of all significant transactions and arrangements entered into by the unlisted subsidiary, if any.

f) Web link where policy on dealing with related party transactions:

The Company has formulated a policy on materiality of Related Party Transactions and dealing with Related Party Transactions in line with the requirements of Section 177 (4) (iv) and 188 of the Act, read with Rules framed thereunder and the SEBI Listing Regulations, amended from time to time. This Policy has been posted on the website of the Company at the <https://skycorp.in/sky-policies-adopted/>

g) Disclosure of commodity price risk and commodity hedging activities: NA

h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A): NA

i) A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is annexed to this report: (Annexure - I)

j) 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:

During the Financial Year 2023-24 there have not been any instances where the Board of Directors have not accepted any recommendations of any committee of the Board which is mandatorily required.

k) 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 2023-24:

Total fees which is required to be paid by the Company to the Statutory Auditors of the Company 'CGCA & Associates LLP' on the consolidated basis is as follows; Auditors Remuneration (exclusive of tax & GST)

Particulars	2023-24 (in lakhs)
Audit fees (including quarterly audits)	6.60
For other services (certifications, etc.)	
For taxation matters	0.85
For reimbursement of expenses	0.31
Total	7.76

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

The Company is committed to creating and maintaining an environment in which employees can work without any fear of harassment, exploitation or intimidation. The Company makes sure that every employee is made aware that the company is strongly opposed to sexual harassment and such behaviour is prohibited both by law and SKY.

Sky Industries Limited has a policy and framework for employees to report sexual harassment cases at workplace and our process ensures complete anonymity and confidentiality of information. Such policy is also uploaded on the website of the company. Disclosure in relation to the 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 the end of the financial year	Nil

m) Disclosure by the listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount:

No loans or advances were extended to firms or companies in whom directors hold interests throughout the year.

n) 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:

The Company has no material Subsidiary and hence this clause is not applicable.

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

There have been no instances of non-compliance of any requirement of the Corporate Governance Report as prescribed by the SEBI Listing Regulations.

13) Discretionary Requirements

The Company has voluntarily complied with the following discretionary requirements as provided under Regulation 27 (1) read with Part E of the Schedule II of the SEBI Listing Regulations:

The Board	The Company has Non-executive Independent Chairperson.
Shareholder Rights	The quarterly and half-yearly financial performances are published in the newspapers and are also posted on the website of the Company, the same are not being sent to the members.
Modified opinion(s) in audit report	The Statutory Auditors have issued an unmodified audit opinion on the financial statements of the Company for the year ended March 31, 2024.
Separate posts of Chairperson and the Managing Director or the Chief Executive Officer	The Company have separate persons to the post of the Chairperson and the Managing Director.
Reporting of internal auditor	The Internal Auditor reports to Chairperson & Managing Director and has direct access to the Audit Committee.

For and Behalf of the Board of Directors
SKY INDUSTRIES LIMITED

Date : May 21, 2024
Place : Mumbai

Shailesh S Shah
Managing Director
DIN:00006154

Maikal Raorani
Whole Time Director & CFO
DIN:00037831

CODE OF CONDUCT OF DECLARATION

In terms of Regulation 26(3) of the 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, 2024.

For **Sky Industries Limited**

Place: Mumbai
Date: May 21, 2024

Shailesh S Shah
Managing Director
DIN: 00006154

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 31st March, 2024 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 :

S r. 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	MANI GOPALAKRISHNAN	10324513	10/11/2023	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,**

Place : Mumbai
Date : May 21, 2024

Ramesh Mishra
Membership No.: 5477 CP No.: 3987
PR No. 1133/2021
UDIN: F005477F000410123

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, 2024 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 or the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Ramesh Chandra Mishra & Associates,**

Place : Mumbai
Date : May 21, 2024

Ramesh Mishra
Membership No.: 5477 CP No.: 3987
PR No. 1133/2021
UDIN: F005477F000583331



STANDALONE FINANCIAL STATEMENTS

Independent Auditor's Report

To the Members of Sky Industries Limited

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of Sky Industries Limited ('the Company'), which comprises the Balance Sheet as at 31st March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone 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 of 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 31st March, 2024, and its profit, other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone 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 Standalone 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 Standalone 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 Standalone 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 Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone 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 specific terms and conditions.</p> <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>	<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. 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, if any. We assessed manual journals posted to revenue to identify unusual items and out of system processing.

Key Audit Matter	How the matter was addressed in our audit
<p>Inventory Valuation</p> <p>The net carrying value of inventory as on 31st March 2024 is 31.81 % of Total Assets of the Company.</p> <p>Inventories are valued at lower of cost and net realizable value.</p> <p>Sales in the industry can be extremely volatile with the consumer demand changing significantly based on current trends. As a result there is a risk that the carrying value of inventory exceeds its net Realizable Value.</p> <p>Hence we have determined valuation of inventories as a Key Audit Matter.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> • Evaluating the rationality of Inventory Policies such as the policy of inventory valuation and provision for obsolescence and understanding whether the valuation of inventory was performed in accordance with the Companies Policy. • Analyzing the inventory aging report and net realizable value of Inventories. • Inspecting the post period sales situation and evaluating the net realizable value of measurement applied on aging inventory in order to verify the evaluation accuracy of the estimated inventory allowance by the company. • Tested the valuation of inventory on sampling basis, by comparing the value of raw materials and traded goods with the underlying supporting documents.

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 Consolidated Financial Statements, Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone 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 Standalone 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 Standalone 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 Standalone 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 Standalone Financial Statements, Management and the 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 Company's Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone 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 Standalone 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 the Standalone 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 Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone 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 account 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 cash flow and statement of changes in equity dealt with by this Report are in agreement with the relevant 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 31st March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on

31st March 2024 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 31st March, 2024 on its financial position in its Standalone 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 mis-statement.
 - v. The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.
 - vi. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial yearended 31st March, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1st April, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31st March, 2024.

For CGCA & Associates LLP

Chartered Accountants

Firm Regn No : 123393W / W100755

Champak K. Dedhia

Partner

Membership No: 101769

UDIN: 24101769BKAJPE7703

Place: Mumbai

Date: 21st May, 2024

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

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Standalone Financial Statements for the year ended 31st March 2024, we report that:

- i. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in respect of Property, Plant & Equipment:**
 - a. (A) The Company has maintained proper records, showing full particulars including quantitative details and situation of Property, Plant and Equipment and relevant details of Right-of-use assets.
 - (B) The Company has maintained proper records, showing full particulars of intangible assets.
 - b. 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. The title deeds of immovable properties are held in the name of the Company.
 - d. The Company has not revalued its Property, Plant & Equipment or Intangible assets or both during the year.
 - e. 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. According to information and explanation given to us and on the basis of our examination of the records of the Company, in respect of 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 properly dealt with in the books of account.
 - b. The Company has been sanctioned working capital limits in excess of ₹ 5 Crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. The difference between the quarterly returns or statements filed by the company with the banks and the books of accounts of the company is on account of explainable items as per the details provided below

(Rs. In Lakhs)

Quarter Ended	Particulars	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of Difference	Reason For Material Discrepancies
Jun-23	Stock	1980.55	1761.12	-219.44	Stock-in-transit was inadvertently excluded at the time of submission to bank
	Debtors	1203.87	1206.76	2.89	
	Creditors	408.65	850.16	441.52	Balances pertaining to Letter of Credits were inadvertently included in the Creditors list at the time of submission to bank
Sep-23	Stock	2097.05	2086.70	-10.35	NA
	Debtors	1283.99	1283.43	-0.56	NA
	Creditors	405.59	1078.98	673.39	Balances pertaining to Letter of Credits were inadvertently included in the Creditors list at the time of submission to bank
Dec-23	Stock	2300.40	2009.26	-291.14	Stock-in-transit was inadvertently excluded at the time of submission to bank
	Debtors	1357.47	1355.68	-1.79	NA

Quarter Ended	Particulars	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of Difference	Reason For Material Discrepancies
	Creditors	674.88	957.17	282.29	Balances pertaining to Letter of Credits were inadvertently included in the Creditors list at the time of submission to bank
Mar-24	Stock	1994.42	1,994.42	-	NA
	Debtors	1270.15	1,270.15	-	NA
	Creditors	514.68	514.68	-	NA

- iii. 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 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. 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. 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. In our opinion and according to the information and explanation given to us 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. According to the information and explanations given to us, in respect of statutory dues:
- a. The Company has been generally 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.
- b. 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 31st March, 2024, 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

- c. Details of statutory dues which have not been deposited as on 31st March 2024 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	3.21	Various Years	TDS CPC
Income Tax Act, 1961	Income Tax Demand	1.22	AY 2021-22	CIT (Appeals)

- viii. 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. According to the information and explanations given to us and on the basis of our examination of the records, in respect of loans or borrowings:
- a. The Company has not defaulted in the repayment of loans or borrowings or in the payment of interest during the year.
 - b. The Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.
 - c. The Company has applied the term loans for the purpose for which they were obtained.
 - d. We report that funds raised on short term basis has not been utilized for long term purposes.
 - e. The Company has incorporated a wholly owned subsidiary (as defined under the Companies Act, 2013) during the year ended 31st March, 2024.
 - f. The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.
- x. According to the information and explanations given to us and on the basis of our examination of the records of the Company:
- 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. Preferential allotment of equity shares made by the Company during the year against ESOP Options 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. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in respect of 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. 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. 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. Based on information and explanations provided to us and our audit procedures:
- a. 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. 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. 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. 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. There has been no resignation of the statutory auditors during the year and accordingly clause 3 (xviii) of the Order is not applicable.
- xix. 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 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. 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.

For CGCA & Associates LLP

Chartered Accountants
Firm Regn No : 123393W / W100755

Champak K. Dedhia

Place: Mumbai
Date: 21st May, 2024

Partner
Membership No: 101769
UDIN: 24101769BKAJPE7703

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 31st March 2024 in conjunction with our audit of the Standalone 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 31st March 2024, 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 Standalone 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 judgment, 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 Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone 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 Standalone 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 Standalone 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 / W100755

Champak K. Dedhia

Partner

Place: Mumbai

Date: 21st May, 2024

Membership No: 101769

UDIN: 24101769BKAJPE7703

Standalone Balance Sheet as at 31st March 2024

(All amount in Rupees lakhs, unless otherwise stated)

Particulars	Note	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	1,043.79	1,043.51
Capital work-in-progress	3A	20.81	16.76
Intangible assets	3B	0.44	0.75
Intangible assets under development	3C	20.37	6.72
Right-of-use assets	3D	53.64	99.63
Financial assets			
Investments	4A	494.36	401.69
Loans	5	42.53	-
Other financial asset	6	35.71	30.58
Other non-current assets	7	4.34	16.79
Total Non-current assets (I)		1,715.99	1,616.43
Current assets			
Inventories	8	1,994.42	2,180.39
Financial assets			
Investments	4B	331.27	284.29
Trade receivables	9	1,199.89	1,228.13
Cash and cash equivalents	10	42.86	26.99
Bank balances other than cash and cash equivalents	11	488.66	99.96
Other financial asset	12	25.50	25.53
Other current assets	13	470.33	468.50
Total Current assets (II)		4,552.93	4,313.79
Total Assets (I + II)		6,268.92	5,930.22
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	789.05	785.98
Other equity	15	3,242.23	2,848.06
Total Equity (I)		4,031.28	3,634.05
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	16	4.58	33.25
Lease liabilities	3D	9.19	59.99
Other financial liabilities	17	1.75	1.75
Provisions	18	9.98	11.90
Deferred Tax Liabilities (Net)	19	86.30	85.36
Total Non-current liabilities (II)		111.80	192.25
Current liabilities			
Financial liabilities			
Borrowings	20	1,216.35	1,242.73
Lease liabilities	3D	50.80	44.22
Trade payables	21		
Total outstanding dues of micro enterprises and small enterprises		22.32	37.63
Total outstanding dues of creditors other than micro enterprises and small enterprises		603.65	594.02
Other financial liabilities	22	19.23	15.29
Other current liabilities	23	146.23	136.79
Provisions	24	67.25	33.25
Total Current liabilities (III)		2,125.84	2,103.92
Total Equity and Liabilities (I + II + III)		6,268.92	5,930.22

CORPORATE INFORMATION

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MATERIAL ACCOUNTING POLICIES

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NOTES FORMING PART STANDALONE FINANCIAL STATEMENTS

3 to 50

As per our report attached of even date

For **CGCA & Associates LLP**

Chartered Accountants

Firm Reg. No. :123393W / W100755

Champak K Dedhia

Partner

Membership No.101769

Mumbai, Dated: 21st May, 2024

UDIN: 24101769BKAJPE7703

For and on behalf of the Board of Directors

Sky Industries Limited

CIN: L17120MH1989PLC052645

Shailesh Shah

Managing Director

DIN: 00006154

Sharad Shah

Whole Time Director

DIN: 00006114

Maikal Roarani

Whole Time Director & CFO

DIN: 00037831

Priyal Ruparelia

Company Secretary

ICSI M. No. A71040

Statement of Profit and Loss for the year ended 31 March 2024

(All amount in Rupees lakhs, unless otherwise stated)

Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
Income			
Revenue from operations	25	8,246.49	7,492.09
Other income	26	151.61	31.48
Total Income		8,398.10	7,523.58
Expenses			
Cost of materials consumed	27	4,854.87	5,159.78
Purchase of Stock In Trade		376.26	496.05
Changes in inventories of finished goods	28	339.68	(394.16)
Employee benefits expenses	29	589.51	557.18
Finance costs	30	128.55	159.64
Depreciation and amortisation expense	31	174.48	169.81
Other expenses	32	1,324.79	1,141.61
Total Expenses		7,788.14	7,289.90
Profit before exceptional items and tax		609.96	233.68
Profit before tax		609.96	233.68
Tax expense / (credit)	44		
- Current tax		143.67	58.55
- Adjustments/ (Credit) related to previous years - (net)		(0.84)	1.35
- Deferred tax		(0.36)	(3.04)
		142.47	56.86
Profit after tax		467.49	176.82
Other comprehensive income (OCI)			
Items that will not be reclassified to profit and loss			
(i) Re-measurement of gains on defined benefit plans		5.17	2.39
(ii) Income tax related to above		1.30	0.60
Other comprehensive income for the year (net of tax)		3.87	1.79
Total comprehensive income for the year		471.36	178.61
Earnings per equity share:	35		
Basic and diluted (in Rs.)		5.92	2.27
Face value per share (in Rs.)		10.00	10.00

CORPORATE INFORMATION

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NOTES FORMING PART STANDALONE FINANCIAL STATEMENTS

3 to 50

As per our report attached of even date

For **CGCA & Associates LLP**

Chartered Accountants

Firm Reg. No. :123393W / W100755

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Sky Industries Limited

CIN: L17120MH1989PLC052645

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Mumbai, Dated: 21st May, 2024

UDIN: 24101769BKAJPE7703

Maikal Roarani

Whole Time Director & CFO

DIN: 00037831

Priyal Ruparelia

Company Secretary

ICSI M. No. A71040

Standalone Statement of Cash Flow for the year ended 31 March 2024

(All amount in Rupees lakhs, unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
A Cash flow from operating activities		
Net Profit before tax	609.96	233.68
Adjustments to reconcile profit before tax to net cash flows:		
Add: Depreciation of property, plant and equipment	174.48	169.81
Add: Interest expense and other finance cost	128.55	159.15
Add: Processing fees	-	0.49
Add: Share based expense	1.72	18.87
Less: Interest income	(5.76)	(4.47)
Less: Interest on Income Tax refund	(0.65)	-
Less: Interest on financial asset carried at cost	(2.07)	(0.92)
Less: Unrealised gain on investments classified through Fair Value through Profit and Loss	(90.56)	(22.22)
Less: Realised gain on investments classified through Fair Value through Profit and Loss	(6.58)	-
Less: Profit on sale of property, plant and equipment	-	(1.24)
	199.13	319.48
Operating Profit Before Changes in Working Capital	809.09	553.16
Adjustment for Changes in Working Capital		
(Increase) / Decrease in Trade Receivables	28.24	(20.22)
(Increase) / Decrease in Inventories	185.97	(241.87)
(Increase) / Decrease in Other Non - Current Financial Assets	(3.07)	(21.08)
(Increase) / Decrease in Other Current Financial Assets	0.03	16.96
(Increase) / Decrease in Other Current Assets	(1.83)	127.15
Increase / (Decrease) in Trade Payables	(5.69)	(110.30)
Increase / (Decrease) in Other Current Financial Liabilities	3.95	3.83
Increase / (Decrease) in Other Current Liabilities	9.45	28.67
Increase / (Decrease) in Non Current Provisions	(1.93)	(2.18)
Increase / (Decrease) in Current Provisions	34.00	(2.32)
	249.12	(221.37)
Cash Generated from Operations	1,058.21	331.80
Less: Taxes Paid (Net of refund received)	(124.55)	(71.10)
Less: Dividend and dividend tax paid	(78.91)	(78.60)
Net cash used in operating activities	854.75	182.10
B Cash flow from investing activities		
Purchase of property, plant and equipment / intangible assets (including capital work-in-progress)	(146.17)	(79.88)
Sale of property, plant and equipment / intangible assets (including capital work-in-progress)	-	2.20
Purchase of Investments	(88.27)	(24.00)
Sale of Investments	45.77	-
Interest Received	5.76	4.47
Loan given	(42.53)	
Movement in other bank balances	(388.71)	19.62
Net cash generated from / (used in) investing activities	(614.16)	(77.60)

Particulars		Year ended 31 March 2024	Year ended 31 March 2023
C	Cash flow from financing activities		
	Repayment of long term borrowings	(28.67)	(63.62)
	Repayment of Lease Liability	(51.40)	(48.95)
	Increase/ (Decrease) in Working Capital facility	(26.36)	(55.37)
	Proceeds from issue of shares and share warrants	3.07	227.25
	Finance Cost	(121.36)	(148.49)
	Net cash generated from financing activities	(224.72)	(89.18)
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	15.87	15.32
	Opening balance of cash and cash equivalents	26.99	11.66
	Closing balance of cash and cash equivalents	42.86	26.99
	Components of cash and cash equivalents:		
	Balances with banks in current accounts	30.35	18.29
	Cash on hand	12.51	8.69
	Cash and cash equivalents as per financial statements (Refer note 10)	42.86	26.99

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 / W100755

Champak K Dedhia

Partner
Membership No.101769
Mumbai, Dated: 21st May, 2024
UDIN: 24101769BKAJPE7703

For and on behalf of the Board of Directors
Sky Industries Limited
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Shailesh Shah
Managing Director
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DIN: 00037831

Sharad Shah
Whole Time Director
DIN: 00006114

Priyal Ruparelia
Company Secretary
ICSI M. No. A71040

Notes to the Standalone Financial Statements for the year ended 31 March 2024

(All amount in Rupees lakhs, unless otherwise stated)

1 CORPORATE INFORMATION

Sky Industries Limited is a Public limited company 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 MATERIAL 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)

MATERIAL 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.

2.5 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 off 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	Leasehold Land	Factory Buildings	Plant and Machinery	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
Gross block								
Balance as at 1 April 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 31 March 2023	41.33	236.05	1,094.77	62.87	105.57	38.21	20.72	1,599.52
Additions	-	-	96.32	19.54	-	2.44	10.17	128.47
Disposals / adjustments	-	-	-	-	-	-	-	-
Balance as at 31 March 2024	41.33	236.05	1,191.09	82.43	105.58	40.65	30.89	1,728.00
Accumulated depreciation and amortisation								
Balance as at 1 April 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 31 March 2023	4.03	61.62	373.24	26.75	42.11	32.35	15.90	556.01
Depreciation charge	0.52	12.32	88.69	7.88	12.86	1.74	4.18	128.20
Reversal on disposals / adjustments	-	-	-	-	-	-	-	-
Balance as at 31 March 2024	4.55	73.94	461.94	34.63	54.97	34.10	20.08	684.20
Net block								
Balance as at 31 March 2023	37.30	174.43	721.53	36.12	63.46	5.85	4.82	1,043.51
Balance as at 31 March 2024	36.78	162.11	729.15	47.80	50.61	6.55	10.82	1,043.79

3A Capital work-in-progress

Particulars	Factory Buildings	Plant & Machinery	Total
Gross block			
Balance as at 1 April 2022	16.76	-	16.76
Additions	-	-	-
Disposals / adjustments	-	-	-
Balance as at 31 March 2023	16.76	-	16.76
Additions	-	4.05	4.05
Disposals / adjustments	-	-	-
Balance as at 31 March 2024	16.76	4.05	20.81

Capital work in progress (CWIP) ageing schedule

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31st March 2024					
Projects in progress	4.05	-	-	16.76	20.81
Projects temporarily suspended	-	-	-	-	-
TOTAL	4.05	-	-	16.76	20.81

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

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

Particulars	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
As at 31st March 2024				
Projects in progress	4.05	16.76	-	-
Projects temporarily suspended	-	-	-	-
TOTAL	4.05	16.76	-	-

3B Intangible assets

Particulars	Software Licenses	Total
Balance as at 1 April 2022	1.52	1.52
Additions	0.96	0.96
Disposals / adjustments	-	-
Balance as at 31 March 2023	2.48	2.48
Additions	-	-
Disposals / adjustments	-	-
Balance as at 31 March 2024	2.48	2.48
Accumulated amortisation		
Balance as at 1 April 2022	1.33	1.33
Amortisation charge	0.40	0.40
Reversal on disposals / adjustments	-	-

Particulars	Software Licenses	Total
Balance as at 31 March 2023	1.73	1.73
Amortisation charge	0.31	0.31
Reversal on disposals / adjustments	-	-
Balance as at 31 March 2024	2.04	2.04
Net block		
Balance as at 31 March 2023	0.75	0.75
Balance as at 31 March 2024	0.44	0.44

3C Intangible assets under development

Particulars	Software Licenses	Total
Gross block		
Balance as at 1 April 2022	-	-
Additions	6.72	6.72
Disposals / adjustments	-	-
Balance as at 31 March 2023	6.72	6.72
Additions	13.65	13.65
Transfer from CWIP	-	-
Disposals / adjustments	-	-
Balance as at 31 March 2024	20.37	20.37

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 31st March 2024					
Projects in progress	13.65	6.72	-	-	20.37
Projects temporarily suspended	-	-	-	-	-
TOTAL	13.65	-	-	-	20.37

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 31st March 2023					
Projects in progress	6.72	-	-	-	6.72
Projects temporarily suspended	-	-	-	-	-
TOTAL	6.72	-	-	-	6.72

Note: 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 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 31 March 2024	Year ended 31 March 2023“
Balance at the beginning of the year	99.63	-
Add: Additions	-	145.61
Less: Depreciation	(45.98)	(45.98)
Less: Reduction on Termination of contract	-	-
Balance at the end of the year	53.64	99.63

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

Particulars	As at 31 March 2024	As at 31 March 2023
i) Movement in lease liabilities		
Balance at the beginning of the year	104.20	-
Add : Additions	-	142.49
Add: Accretion of interest	7.18	10.67
Less: Payments	(51.40)	(48.95)
Balance at the end of the year	59.99	104.20
ii) Details of contractual maturities of lease liabilities on undiscounted basis		
Less than one year	53.97	51.40
One to two years	9.29	53.97
Two to five years	-	9.29
More than five years	-	-
Total	63.26	114.66
iii) Break-up of lease liabilities on discounted basis		
Lease liabilities (current)	50.80	44.22
Lease liabilities (non-current)	9.19	59.99
TOTAL	59.99	104.20

(c) Amount recognised in statement of profit and loss

Particulars	Year ended 31 March 2024	Year ended 31 March 2023“
Depreciation expense of right of use assets (Refer note 31)	45.98	45.98
Interest expense on lease liabilities	7.18	10.67
Rent expense relating to short-term lease (Refer note 32)	66.19	69.77
TOTAL	119.35	126.42

(d) Other disclosures

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 31 March 2024		As at 31 March 2023	
	No. of units	Amount	No. of units	Amount
Investments in equity instruments (Unquoted and fully paid up)				
Investments in Subsidiary (at cost)	9,998	1.00	-	-
Investment in equity oriented mutual funds (at fair value through profit and loss)	16,98,907	493.36	16,25,180	401.69
TOTAL	17,08,905	494.36	16,25,180	401.69
Aggregate amount of unquoted investments - At fair value through profit and loss	16,98,907	493.36	16,25,180	401.69
Aggregate value/ market value of quoted investments	-	-	-	-
Aggregate value/ market value of unquoted investments	17,08,905	494.36	16,25,180	401.69
Aggregate amount of impairment in value of investments	-	-	-	-
TOTAL	17,08,905	494.36	16,25,180	401.69

4B Financial Assets - Investments (Current)

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of units	Amount	No. of units	Amount
Investments in Debt oriented liquid mutual funds (Unquoted and fully paid up)				
Investment in debt oriented liquid mutual funds (at fair value through profit and loss)	8,00,893	331.27	9,29,741	284.29
TOTAL	8,00,893	331.27	9,29,741	284.29
Aggregate amount of unquoted investments - At fair value through profit and loss	8,00,893	331.27	9,29,741	284.29
Aggregate value/ market value of quoted investments	-	-	-	-
Aggregate value/ market value of unquoted investments	8,00,893	331.27	9,29,741	284.29
Aggregate amount of impairment in value of investments	-	-	-	-
TOTAL	8,00,893	331.27	9,29,741	284.29

5 Financial Assets - Loans (Non-Current)

Particulars	As at 31 March 2024	As at 31 March 2023
Loan given to Subsidiary [Unsecured, considered good]	42.53	-
TOTAL	42.53	-

6 Financial Assets - Others (Non-Current)

Particulars	As at 31 March 2024	As at 31 March 2023
[Unsecured, considered good]		
Security deposits	35.71	30.58
TOTAL	35.71	30.58

7 Non Current Tax Assets (Net)

Particulars	As at 31 March 2024	As at 31 March 2023
Income Tax Asset [Net of Provision Nil (Rs. 164.80 Lakhs)]	4.34	16.79
TOTAL	4.34	16.79

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

Particulars	As at 31 March 2024	As at 31 March 2023
Raw Materials	742.46	602.13
Work in Progress	199.67	324.98
Finished Goods	1,018.70	1,233.06
Packing Material	33.59	20.22
TOTAL	1,994.42	2,180.39

9 Trade receivables

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good	1,229.99	1,238.27
Less: Allowances for expected credit losses	(30.10)	(10.14)
	1,199.89	1,228.13
Trade receivables - Credit Impaired	-	-
Less: Allowances for expected credit losses	-	-
TOTAL	1,199.89	1,228.13

Note:

- Above trade receivables includes Rs 137.15 Lakhs (Rs 111.07 Lakhs) dues from Private Companies in which a director is a director or member. Refer Note no 40 for details of related party
- Refer Note - 38 for information about credit risk of trade receivables.
- Refer Note - 41 for trade receivables ageing details.

10 Cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Balances with banks in current accounts	30.35	18.29
Cash on hand	12.51	8.69
TOTAL	42.86	26.99

11 Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Unpaid Dividend Account (Refer note i. Below)	19.24	15.29
Margin Money with Banks (Refer note ii. Below)	469.42	84.67
TOTAL	488.66	99.96

Note:

- 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.
- Margin Money Deposit are lien marked against borrowings from Kotak Mahindra Bank.

12 Financial Assets - Others (Current)

Particulars	As at 31 March 2024	As at 31 March 2023
[Unsecured, considered good]		
Security deposits	25.50	25.53
TOTAL	25.50	25.53

13 Other current assets

Particulars	As at 31 March 2024	As at 31 March 2023
[Unsecured, considered good]		
Advances other than capital advances		
Advance to employees	31.81	11.82
Advance to suppliers / expenses	36.79	62.02
Others		
Balance with government authorities	325.49	362.90
Export incentive receivable	57.17	23.07
Prepaid expenses	19.07	8.69
TOTAL	470.33	468.50

14 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of shares	Amount	No. of shares	Amount
Authorised share capital				
Equity Shares of Rs. 10/- each	1,50,00,000	1,500.00	1,50,00,000	1,500.00
Redeemable Preference Shares of Rs. 100/- each	5,00,000	500.00	5,00,000	500.00
Total Authorized Share Capital	1,55,00,000	2,000.00	1,55,00,000	2,000.00
Issued, subscribed and fully paid up shares				
Equity shares of Rs. 10 each	78,90,541	789.05	78,59,841	785.98
Total issued, subscribed and paid up share capital	78,90,541	789.05	78,59,841	785.98

a) Issued during the year:

- (i) During the period company has allotted 30,700 (Nil) shares pursuant to the exercise of the options by the eligible employees under the ESOP Plan 2018.
- (ii) 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 2020-21) after receiving the balance amount:-

Name	Category	No of Shares	Amount per share	Amount
Shailesh S. Shah	Promoter	3,60,000	Rs. 30	108.00
Sharad S. Shah	Promoter	1,50,000	Rs. 30	45.00
Saloni Dedhia	Promoter	2,35,000	Rs. 30	70.50
Harini Dedhia	Non Promoter	2,65,000	Rs. 30	79.50

b) Reconciliation of the number of shares outstanding :

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of Shares	Amount	No. of Shares	Amount
Shares at the beginning of the year	78,59,841	785.98	68,49,841	684.98
Add: Issued during the year (refer note (a) above)	30,700	3.07	10,10,000	101.00
Less: Shares bought back during the year	-	-	-	-
Shares at the end of the year	78,90,541	789.05	78,59,841	785.98

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 exists currently.

d) Shareholders holding more than 5% shares each :

Name of the Shareholder	As at 31 March 2024		As at 31 March 2023	
	No. of Shares	%	No. of Shares	%
Shailesh Shah	27,80,623	35.24%	27,80,623	35.38%
Sharad Shah	11,62,043	14.73%	11,62,043	14.78%
Saloni Dedhia	4,74,400	6.01%	4,74,400	6.04%
Harini Narendra Dedhia	5,30,000	6.72%	5,30,000	6.74%
Skay Finvest Pvt Ltd *	1,63,500	2.07%	1,63,500	2.08%
Total	51,10,566	64.77%	51,10,566	65.02%

* Beneficial ownership is of Shailesh Shah

e) Disclosure of Shareholding of Promoters is as follows:-

As at 31 March 2024

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	27,80,623	-	27,80,623	35.24%	-0.14%
Sharad S. Shah	11,62,043	-	11,62,043	14.73%	-0.06%
Saloni Dedhia	4,74,400	-	4,74,400	6.01%	-0.02%
Sangita Shailesh Shah	4,350	-	4,350	0.06%	0.00%
Skay Finvest Private Limited	1,63,500	-	1,63,500	2.07%	-0.01%
Total	45,84,916	-	45,84,916	58.11%	-0.23%

As at 31 March 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	24,20,623	3,60,000	27,80,623	35.38%	2.35%
Sharad S. Shah	10,12,043	1,50,000	11,62,043	14.78%	-0.77%
Saloni Dedhia	2,39,400	2,35,000	4,74,400	6.04%	3.41%
Sangita Shailesh Shah	4,350	-	4,350	0.06%	-0.02%
Skay Finvest Private Limited	1,63,500	-	1,63,500	2.08%	-0.56%
Total	38,39,916	7,45,000	45,84,916	58.33%	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.

15 Other Equity

Particulars	No. of shares	Amount
As at 01 April 2022	68,49,841	684.98
Changes in equity share capital	10,10,000	101.00
As at 31 March 2023	78,59,841	785.98
As at 01 April 2023	78,59,841	785.98
Changes in equity share capital	30,700	3.07
As at 31 March 2024	78,90,541	789.05

Other equity

Particulars	Securities Premium	General Reserve	Retained Earnings	Share Warrants	Share options outstanding account	Total
Opening balance as at 1 April 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	-	-	176.82	-	-	176.82
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
Share based payment expenses	-	-	-	-	18.87	18.87
Dividend paid for the FY 2021-22	-	-	(78.60)	-	-	(78.60)
Closing balance as at 31 March 2023	717.95	80.80	2,012.78	-	36.54	2,848.06
Opening balance as at 1 April 2023	717.95	80.80	2,012.78	-	36.54	2,848.06
Transactions during the year						
Total comprehensive income for the year						
Profit for the year	-	-	467.49	-	-	467.49
Remeasurements gains on defined benefit plans	-	-	3.87	-	-	3.87
Transactions with owners in their capacity as owners						
Issue of equity shares on exercise of Employee Stock Options	20.59	17.66	-	-	(38.25)	-
Share based payment expenses	-	-	-	-	1.72	1.72
Dividend paid for the FY 2022-23	-	-	(78.91)	-	-	(78.91)
Closing balance as at 31 March 2024	738.53	98.46	2,405.23	-	-	3,242.23

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.

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 34.

15a Dividends Paid / Proposed during the year

Particulars	As at 31 March 2024	As at 31 March 2023
Corporate dividend paid during the year		
Dividend Paid	78.91	78.60
Dividend Per Fully Paid Up Share	1.00	1.00
Corporate dividend proposed for the year		
Dividend Proposed	78.91	78.91
Dividend Proposed Per Fully Paid Up Share	1.00	1.00

16 Borrowings (non-current)

Particulars	As at 31 March 2024	As at 31 March 2023
Secured		
Term Loans - Banks	4.58	32.29
Term Loans - Non-Banking Financial Companies	-	0.96
TOTAL	4.58	33.25

Notes :-

A Term Loans :

- Term loan from HDFC Bank Ltd. aggregating to Rs. 5.85 Lakhs (Rs. 8.74 Lakhs) carries interest rate @ 8.35 % p.a. repayable in 60 equated monthly installments of Rs. 0.31 Lakhs each.
- Term loan from HDFC Bank Ltd. aggregating to Rs. 5.57 Lakhs (Rs. 8.99 Lakhs) carries interest rate @ 8.35 % p.a. repayable in 60 equated monthly installments of Rs. 0.31 Lakhs each.
- Term loan from HDFC Bank Ltd. aggregating to Rs. 2.17 Lakhs (Rs. 4.89 Lakhs) carries interest rate @ 7.30 % p.a. repayable in 36 equated monthly installments of Rs. 0.25 Lakhs each.
- Emergency Credit Line Guarantee Scheme (ECLGS) loan from Kotak Mahindra Bank Ltd. aggregating to Rs. 27.27 Lakhs (Rs. 78.32 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 immoveable properties located at C57/1, C57/2 and C 58, TTC Industrial area, Thane, Belapur Road, Pawane Navi Mumbai Owned by Sky Industries Ltd.
- Term loan from Kotak Mahindra Prime Ltd. aggregating to Rs 0.21 Lakhs (Previous year Rs. 2.58 Lakhs) carries interest rate @ 9.5 % p.a. repayable in 60 equated monthly installments of Rs. 0.21 Lakhs each.
- Term loan from Kotak Mahindra Prime Ltd. aggregating to Rs 0.21 Lakhs (Previous year Rs. 2.58 Lakhs) carries interest rate @ 9.5 % p.a. repayable in 60 equated monthly installments of Rs. 0.21 Lakhs each.
- Term loan from Kotak Mahindra Prime Ltd. aggregating to Rs 0.21 Lakhs (Previous year Rs. 2.58 Lakhs) carries interest rate @ 9.5 % p.a. repayable in 60 equated monthly installments of Rs. 0.21 Lakhs each.

17 Other Financial Liabilities (Non-Current)

Particulars	As at 31 March 2024	As at 31 March 2023
Trade deposits from customers	1.75	1.75
TOTAL	1.75	1.75

18 Provisions (non-current)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
Gratuity	8.01	6.94
Compensated absences	1.97	4.96
TOTAL	9.98	11.90

19 Deferred tax liabilities (Net)

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax liability on account of :		
Depreciation and amortisation	86.89	91.82
Investment in mutual funds	24.78	12.97
	111.67	104.80
Deferred tax assets on account of :		
Provision for Bad Debts	7.58	2.55
Provision for Gratuity	2.02	1.75
Provision for Leave Encashment	0.71	1.76
Provision for Bonus	1.17	1.18
Cess Payable	6.67	6.67
Property tax payable	7.24	5.53
	25.37	19.44
Deferred tax liabilities (net)	86.30	85.36

20 Borrowings (current)

Particulars	As at 31 March 2024	As at 31 March 2023
Secured		
Loans repayable on demand (Refer Note 20.1, 20.2 & 20.3 below)	1,179.43	1,167.28
Current Maturities of Long Term Debt - Bank	36.29	68.66
Current Maturities of Long Term Debt - Non Banking Financial Company	0.63	6.79
TOTAL	1,216.35	1,242.73

Note 20.1: Refer Note - 16 for information about terms of loan.

Note 20.2: The Letter of credit / Buyer's credit facility is secured by Margin Money deposit.

Note 20.3: The Bank overdraft facility from HDFC Bank is secured by way of first and exclusive hypothecation charge on the Mutual Funds of the Company.

21 Trade payables

Particulars	As at 31 March 2024	As at 31 March 2023
Due to Micro, Small and Medium Enterprises (Refer Note Below)	22.32	37.63
Total outstanding dues of creditors other than micro enterprises and small enterprises - related parties (Refer note 40)	603.65	594.02
TOTAL	625.97	631.65

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, 2024 and March 31, 2023 is as under:

Particulars	As at 31 March 2024	As at 31 March 2023
- Dues remaining unpaid to any supplier Principal	22.32	37.63
- 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	22.32	37.63

22 Other financial liabilities (current)

Particulars	As at 31 March 2024	As at 31 March 2023
Unclaimed Dividend*	19.24	15.29
TOTAL	19.24	15.29

* There is no amount due and outstanding to be credited to Investor Education and Protection Fund

23 Other current liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Advance received from Customers	60.68	56.16
Statutory Dues	44.29	34.71
Other Payables *	41.26	45.92
TOTAL	146.23	136.79

* Includes related party balances of Rs 19.88 Lakhs (Previous year Rs. 10.99 Lakhs)

24 Provisions (current)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
Gratuity	-	-
Compensated absences	0.84	2.03
Others Provision		
Provision for Tax (Net of Taxes Paid 138.49 Lakhs)	5.17	-
Provision for Expenses	61.24	31.22
TOTAL	67.25	33.25

25 Revenue from operations

Particulars	As at 31 March 2024	As at 31 March 2023
Revenue from Contract with Customers		
Sale of Products	8,161.44	7,427.97
Sale of Services	23.98	12.95

Particulars	As at 31 March 2024	As at 31 March 2023
Other operating revenues		
Export Incentives	40.56	33.14
Scrap Sales	20.52	18.04
TOTAL	8,246.49	7,492.09

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 31 March 2024	Year ended 31 March 2023
Revenue from contracts with customers disaggregated based on geography		
Domestic Market	6,917.35	6,645.50
Exports	1,268.06	795.42
TOTAL	8,185.42	7,440.92

25b Assets and liabilities related to contracts with customers

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
The following table provides information about receivables, contract assets and contract liabilities from contracts with customers		
Trade receivables	1,199.89	1,228.13
Unbilled receivables	-	-
Contract assets	-	-
Contract liabilities	60.68	56.16

26 Other income

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(a) Interest income		
Interest on financial asset carried at cost	2.07	0.92
Interest on deposits with bank	5.76	4.47
Interest on income tax refund	0.65	-
(b) Other non-operating income		
Liabilities no longer payable written back	1.65	2.13
Miscellaneous income	2.01	1.75
(c) Other gains and losses		
Net gain arising on financial assets measured at FVTPL*	97.14	22.22
Net gain on foreign currency transaction	42.33	-
TOTAL	151.61	31.48

Notes:

* Includes gain on sale of financial assets measured at FVTPL for 6.58 lakhs (Previous year - NIL)

27 Cost of materials consumed

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Raw materials and packing materials consumed		
Opening stock	622.35	774.65
Add: Purchases	5,008.57	5,007.48
Less : Closing stock	(776.05)	(622.35)
TOTAL	4,854.87	5,159.78

28 Changes in inventories of finished goods and stock in trade

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Opening stocks:		
Finished goods	1,233.06	1,013.04
Work in progress	324.98	150.83
	1,558.04	1,163.88
Less : Closing stock		
Finished goods	1,018.70	1,233.06
Work in progress	199.67	324.98
	1,218.36	1,558.04
Net change in inventories	339.68	(394.16)

29 Employee benefits expense

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Salaries, Wages and Bonus	396.93	361.45
Directors remuneration	146.04	143.72
Contribution to provident and other funds (Refer note 39)	8.50	8.18
Gratuity expenses (Refer note 39)	6.24	7.57
Share based payment expenses (Refer note 34)	1.72	18.87
Staff welfare expenses	30.10	17.39
TOTAL	589.51	557.18

30 Finance costs

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Interest expenses on:		
Borrowings	125.16	158.41
Others (Including interest on delay payment of statutory dues and vendors)	3.39	1.23
TOTAL	128.55	159.64

31 Depreciation and amortisation expense

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation on property, plant and equipment (Refer Note 3)	128.20	123.43
Amortisation of intangible assets (Refer Note 3B)	0.31	0.40
Depreciation on Right of use of Assets (Refer Note 3C)	45.98	45.98
TOTAL	174.48	169.81

32 Other expenses

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Power, Fuel and Utilities	216.42	241.83
Labour charges	431.00	350.37
Lease rent	66.19	69.77
Rates and taxes	54.00	16.63
<u>Repairs & Maintenance on :</u>		
Building	-	6.18
Plant and Machinery	10.37	14.89
Other Repairs	30.32	30.46
Insurance	8.85	9.87
Legal and Professional Fees	80.95	90.44
Freight Forwarding Charges	130.06	87.44
Travelling and Conveyance	116.75	78.97
<u>Payment to Auditors:</u>		
Audit Fees	6.60	6.60
Tax Matters	0.85	0.85
Other Services	0.31	0.23
Donations:		
CSR Donations	7.50	7.00
Others	-	0.21
Bad Debt Written off	23.11	-
Less: Withdrawn from provision for doubtful debts	(10.14)	-
Impairment Allowance for doubtful debts	30.10	1.27
Net Loss on foreign currency transaction	-	18.26
Miscellaneous expenses	121.57	110.34
TOTAL	1,324.79	1,141.61

33 Contingent liabilities and capital commitments

	Particulars	As at 31 March 2024	As at 31 March 2023
(i)	Contingent Liabilities:		
(a)	Property Tax towards Navi Mumbai Municipal Corporation of various years	65.62	65.62
(b)	Tax deducted at source payable	3.21	2.90
(c)	Income Tax demand	1.22	1.22

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.

34 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.

During the FY 23-24, the eligible employees of the Company under the SKY ESOP Scheme, 2018 have exercised their option for 30,700 ESOP options and so the company has issued 30,700 equity shares to the eligible employees.”

(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 31 March 2024		Year ended 31 March 2023	
	Numbers of options	Weighted average exercise price	Numbers of options	Weighted average exercise price
Balance at beginning of year	30,700	10.00	38,265	10.00
Granted during the year	-	-	32,700	10.00
Forfeited during the year	-	-	(2,000)	-
Exercised during the year	(30,700)	-	-	-
Expired during the year	-	10.00	(38,265)	-
Balance at the end of the year	-	10.00	30,700	10.00
Exercisable at the end of the year	-	10.00	30,700	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. 2019-20	51,725	51,725
F.Y. 2020-21	51,725	51,725
F.Y. 2021-22	74,812	74,812
F.Y. 2022-23	-	-
F.Y. 2023-24	30,700	30,700
F.Y. 2024-25	30,700	30,700

(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	Details
Grant date	30th April, 2022
Number of options	30,700
Exercise price (in Rs.)	10
Expected Volatility (p.a.)*	90.85%
Expected time to exercise shares	
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.)	77.06
Weighted average remaining contractual life of options outstanding at end of year	

*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 31 March 2024	Year ended 31 March 2023
Share based payment expenses*	1.72	18.87
Share options outstanding account	-	36.54

*Including for KMPs

Share based payment expenses	Year ended 31 March 2024	Year ended 31 March 2023
Maikal Rorani	0.27	2.95
Vaibhav Desai	0.22	2.46

35 Earnings per share

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Net profit attributable to equity shareholders	467.49	176.82
Weighted average number of equity shares outstanding during the year - Basic	78,90,541	77,79,594
Weighted average number of equity shares outstanding during the year - Diluted (Refer note a below)	78,90,541	78,22,727
Basic profit per share (in Rs.)	5.92	2.27
Diluted profit per share (in Rs.)	5.92	2.26
Face value of share (in Rs.)	10.00	10.00

a) Information concerning the classification of securities

Options granted to employees under the Employee Option Plan viz. ‘ESOP 2018’ are considered to be potential ordinary shares. They have been included in the determination of diluted earnings per share if the required vesting conditions, if any would have been met by the employees to whom options have been granted. The options have not been included in the determination of basic earnings per share. Details relating to the options are set out in note 34.

36 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 31 March 2024	As at 31 March 2023
Adjusted net debt	358.14	864.75
Adjusted equity	4,031.28	3,634.05
Net debt to equity ratio	0.09	0.24
Borrowings		
Borrowings (non-current)	4.58	33.25
Current maturities of non-current borrowings	36.92	75.45
Borrowings (current)	1,179.43	1,167.28
Gross debt	1,220.93	1,275.98
Less : Cash and bank balances		
Current Investment in Mutual Fund	(331.27)	(284.29)
Cash and cash equivalents	(42.86)	(26.99)
Bank balances other than cash and cash equivalents	(488.66)	(99.96)
Adjusted net debt	358.14	864.75
Total equity as per balance sheet	4,031.28	3,634.05
Adjusted equity	4,031.28	3,634.05

37 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 31 March 2024	As at 31 March 2023
Financial assets		
Measured at fair value through profit and loss		
Investment in mutual funds	825.62	685.98
	825.62	685.98
Measured at amortised cost		
Trade receivables	1,199.89	1,228.13
Cash and cash equivalents	42.86	26.99
Bank balances other than cash and cash equivalents	488.66	99.96
Loans	42.53	-
Other financial assets	61.21	56.10
	1,835.16	1,411.18
TOTAL	2,660.78	2,097.15
Financial liabilities		
Measured at amortised cost		
Borrowings	1,220.93	1,275.98
Lease liabilities	59.99	104.20
Trade payables	625.97	631.65
Other financial liabilities	20.98	17.04
TOTAL	1,927.87	2,028.87

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 31 March 2024	As at 31 March 2023
Financial assets		
Level 1		
Investments in mutual funds units	825.62	685.98
TOTAL	825.62	685.98

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.

38 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.

Exposure to interest rate risk

Company's Interest Rate Risk arises from Borrowings Obligations. Borrowings issued are exposed to fair value interest rate risk. The interest rate profile of the Company's interest-bearing Financial Instruments as reported to the management of the Company is as follows.

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

Particulars	As at 31 March 2024	As at 31 March 2023
Variable-rate instruments		
Financial Liabilities - Borrowings	1,179.43	1,167.28
Total	1,179.43	1,167.28

Sensitivity analysis to interest rate risk

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Financial Instrument	Increase / (Decrease) in Profit			
	As at 31 March 2024		As at 31 March 2023	
	1% increase	1% decrease	1% increase	1% decrease
Financial Liabilities - Borrowings	(11.79)	11.79	(11.67)	11.67
Total	(11.79)	11.79	(11.67)	11.67

Financial Instrument	Increase / (Decrease) in Equity, net of tax			
	As at 31 March 2024		As at 31 March 2023	
	1% increase	1% decrease	1% increase	1% decrease
Financial Liabilities - Borrowings	(8.83)	8.83	(8.73)	8.73
Total	(8.83)	8.83	(8.73)	8.73

(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 2024, the investments in mutual fund (at market value) amounts to Rs. 824.62 Lakhs (31st March, 2023 : Rs. 685.98 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 31 March 2024		As at 31 March 2023	
	3% increase	3% decrease	3% increase	3% decrease
Investment in Mutual Funds	24.74	(24.74)	20.58	(20.58)
Total	24.74	(24.74)	20.58	(20.58)

(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	in foreign currency		
	Foreign Currency	As at 31 March 2024	As at 31 March 2023
Financial Assets			
Trade receivables	USD	1,43,357	1,01,305
Financial Liabilities			
Trade payables	USD	4,40,148	4,22,720

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 31 March 2024		As at 31 March 2023	
	5% increase	5% Decrease	5% increase	5% Decrease
USD	(12.37)	12.37	(13.20)	13.20
Total	(12.37)	12.37	(13.20)	13.20

(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 31 March 2024	As at 31 March 2023
Opening balance of expected loss provision	10.14	8.87
Add : Provisions made / (reversed)	30.10	1.27
Less : Utilisation for impairment / de-recognition / write-off	(10.14)	-
Closing balance	(30.10)	10.14

Also refer note no. 41 for ageing of 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 31st March, 2024 and 31st March 2023 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 31 March 2024		As at 31 March 2023	
	Less than 12 months	More than 12 months	Less than 12 months	More than 12 months
Long Term Borrowings	32.55	4.72	77.35	37.27
Working Capital Loans from Banks	1,183.81	-	1,165.38	-
Trade Payables	625.97	-	631.65	-
Lease liabilities	53.97	9.29	51.40	63.26
Other Financial Liabilities	19.23	1.75	15.29	1.75
Total	1,915.53	15.76	1,941.07	102.28

39 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, 2024 and March 31, 2023.

(B) Details of defined benefit obligation and plan assets**(a) Retiring Gratuity**

Sr. No.	Particulars	31st March 2024	31st March 2023
I	Components of Employer Expenses		
	Current Service Cost	6.39	5.87
	Interest Cost	(0.15)	1.70
	Actuarial (Gain)/Loss	(5.17)	(2.39)
	Total Expenses/(Gain) recognized in the Profit & Loss Account	1.07	5.18
II	Net Asset/ (Liability) recognized in Balance Sheet		
	Present value of Funded Obligation	36.86	36.94
	Fair Value of Plan Assets	28.85	30.00
	Assets/(Liability) recognized in the Balance Sheet	8.01	6.94

Sr. No.	Particulars	As at 31 March 2024	As at 31 March 2023
III	Change in Defined Benefit Obligations (DBO)		
	Opening Balance of Present Value of Obligation	6.94	31.76
	Current Service Cost	6.39	5.87
	Interest Cost	(0.15)	1.70
	Actuarial (Gain)/Loss	(5.17)	(2.39)
	Contribution Paid		(30.00)
	Closing Balance of Present Value of Obligation	8.01	6.94
IV	Changes in the Fair Value of Plan Assets		
	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
	Benefit Paid	-	-
	Fair Value of Plan Assets as at 31st March	-	30.00
	Mortality	31st March 2024	31st March 2023
		IALM (2012-14)	IALM (2012-14)
		Ult	Ult
V	Actuarial Assumption		
	Discount Rate (Per Annum)	6.97%	7.19%
	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	As at 31 March 2024	As at 31 March 2023
	Government of India Securities	0%	0%
	High Quality Corporate Bonds	0%	0%
	Equity Shares of listed companies	0%	0%
	Gratuity Fund (LIC)	100%	100%
	Insurance Company	0%	0%

	Particulars	As at 31 March 2024	As at 31 March 2023
VII	Movement in net liability recognized in Balance Sheet		
	Net Opening Liability	6.94	31.76
	Contribution paid	-	(30.00)
	Other Comprehensive income	(5.17)	(2.39)
	P & L Charges / (Income)	6.24	7.57
	Closing Net Liability	8.01	6.94

Particulars	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
	Increase	Decrease	Increase	Decrease
VIII Gratuity Liability - Sensitivity Analysis				
Salary Growth Rate (1% movement)	38.28	35.61	38.45	35.61
Discount Rate (1% movement)	35.62	38.29	35.62	38.46

(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 - Rs. 8.50 Lakhs (Previous year Rs. 8.18 Lakhs)

40 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
Skytech Textiles Private Limited

B Key Managerial Personnel / persons exercising significant influence & their relatives

i. Executive Directors :

Mr. Shailesh Shah
Mr. Sharad Shah
Mr. Vaibhav Desai (Resigned from the company w.e.f 09th November, 2023)
Mr. Maikal Raorani
Mr. Gopal Krishnan Mani (Appointed by the company w.e.f 10th November, 2023)

ii. Independent Directors :

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

iii. Company Secretary:

Mr. Swapnil Soni (Resigned from the company w.e.f 13th March, 2023)
Ms. Priyal Ruparelia (Appointed by the company w.e.f 16th May, 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
	31st March 2024	31st March 2023	31st March 2024	31st March 2023	31st March 2024	31st March 2023
TRANSACTIONS						
PURCHASES						
Purchase of Services						
S. K. Ultratech Machines Private Limited	-	-	6.96	0.18	6.96	0.18

Particulars	Key Managerial Personnel / persons exercising significant influence & their relatives		Enterprise in which Key Managerial Personnel and their relatives have significant Influence		Total	Total
	31st March 2024	31st March 2023	31st March 2024	31st March 2023	31st March 2024	31st March 2023
Purchase of Goods						
Skytech Textiles Private Limited	-	-	3.47	-	3.47	-
Cricketnco Apparels Private Limited	-	-	16.99	63.81	16.99	63.81
S. K. Ultratech Machines Private Limited	-	-	2.07	-	2.07	-
Total	-	-	29.49	63.99	29.49	63.99
SALES						
Cricketnco Apparels Private Limited	-	-	3.01	-	3.01	-
Skytech Textiles Private Limited	-	-	107.24	-	107.24	-
Total	-	-	110.25	-	110.25	-
REMUNERATION*						
Shailesh Shah	60.00	60.00	-	-	60.00	60.00
Sharad Shah	36.00	36.00	-	-	36.00	36.00
Vaibhav Desai	10.45	17.19	-	-	10.45	17.19
Maikal Raorani	29.10	29.18	-	-	29.10	29.18
M. Gopalakrishnan	7.72	-	-	-	7.72	-
REMUNERATION TO COMPANY SECRETARY*						
Swapnil Soni	-	6.78	-	-	-	6.78
Priyal Ruparelia	6.11	-	-	-	6.11	-
Total	149.37	149.14	-	-	149.37	149.14
LOAN GIVEN						
Skytech Textiles Private Limited	-	-	41.55	-	41.55	-
Total	-	-	41.55	-	41.55	-
INTEREST INCOME						
Skytech Textiles Private Limited	-	-	1.09	-	1.09	-
Total	-	-	1.09	-	1.09	-
CAPITAL CONTRIBUTION						
Skytech Textiles Private Limited	-	-	1.00	-	1.00	-
Total	-	-	1.00	-	1.00	-
SITTING FEES						
Amarendra Mohapatra	0.50	0.60	-	-	0.50	0.60
Sanghamitra Sarangi	0.50	0.60	-	-	0.50	0.60
Lokanath Mishara	0.50	0.60	-	-	0.50	0.60
Nitin Arvind Oza	0.50	0.20	-	-	0.50	0.20
Total	2.00	2.00	-	-	2.00	2.00
SALARY						
Saloni Shah	18.09	18.13	-	-	18.09	18.13
Total	18.09	18.13	-	-	18.09	18.13

Particulars	Key Managerial Personnel / persons exercising significant influence & their relatives		Enterprise in which Key Managerial Personnel and their relatives have significant Influence		Total	Total
	31st March 2024	31st March 2023	31st March 2024	31st March 2023	31st March 2024	31st March 2023
SHARES ISSUED						
Shailesh Shah	-	108.00	-	-	-	108.00
Sharad Shah	-	45.00	-	-	-	45.00
Saloni Shah	-	70.50	-	-	-	70.50
Vaibhav Desai	0.40	-	-	-	0.40	-
Maikal Raorani	0.48	-	-	-	0.48	-
Total	0.88	223.50	-	-	0.88	223.50

Particulars	Key Managerial Personnel / persons exercising significant influence & their relatives		Enterprise in which Key Managerial Personnel and their relatives have significant Influence		Total	Total
	31st March 2024	31st March 2023	31st March 2024	31st March 2023	31st March 2024	31st March 2023
OUTSTANDING BALANCES						
TRADE PAYABLE						
Skytech Textiles Private Limited (Payable)	-	-	3.47	-	3.47	-
S. K. Ultratech Machines Private Limited	-	-	4.64	(0.52)	4.64	(0.52)
TRADE RECEIVABLE						
Skytech Textiles Private Limited (Receivable)	-	-	(107.19)	-	(107.19)	-
Cricketnco Apparels Private Limited	-	-	(76.53)	(43.90)	(76.53)	(43.90)
LOAN GIVEN						
Skytech Textiles Private Limited (Loan)	-	-	(42.53)	-	(42.53)	-
Total	-	-	(218.14)	(44.42)	(218.14)	(44.42)
REMUNERATION PAYABLE						
Shailesh Shah	7.00	5.00	-	-	7.00	5.00
Sharad Shah	4.50	2.15	-	-	4.50	2.15
Vaibhav Desai	1.32	1.35	-	-	1.32	1.35
Maikal Raorani	2.21	1.68	-	-	2.21	1.68
Swapnil Soni	-	0.43	-	-	-	0.43
M. Gopalakrishnan	1.39	-	-	-	1.39	-
Priyal Ruparelia	1.18	-	-	-	1.18	-
Total	17.60	10.61	-	-	17.60	10.61
SALARY PAYABLE						
Saloni Dedhia	1.80	0.38	-	-	1.80	0.38
Total	1.80	0.38	-	-	1.80	0.38

Notes:

- Related Parties has been identified by the management and relied upon by the auditors.
- Related party transactions reported are excluding GST which the company is eligible for credit. However, outstanding balances reported at the year end is inclusive of GST component wherever applicable
- Amounts reported are excluding reimbursement of expenses to Key Management Personnel (KMP)
- * 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.

41 Ageing for Trade Receivables outstanding as at March 31, 2024 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	670.66	519.30	8.05	2.55	0.88	28.55	1,229.99
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	-	-	-	-	-	-	-
	670.66	519.30	8.05	2.55	0.88	28.55	1,229.99
“Less: Allowance for doubtful trade receivables”	-	-	-	-	-	-	(30.10)
TOTAL							1,199.89

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

42 Ageing for trade payables outstanding as at March 31, 2024 is as follows:

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues - MSME	21.26	0.68	0.38	-	22.32
Total outstanding dues - other than MSME	507.77	2.80	15.26	77.82	603.65
Disputed dues - MSME	-	-	-	-	-
Disputed dues - other than MSME	-	-	-	-	-
TOTAL	529.03	3.48	15.63	77.82	625.97

Ageing for trade payables outstanding as at March 31, 2023 is as follows:

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues - MSME	37.49		0.14		37.63
Total outstanding dues - other than MSME	495.50	1.52	30.55	66.46	594.02
Disputed dues - MSME					-
Disputed dues - other than MSME	-	-	-	-	-
TOTAL	532.99	1.52	30.69	66.46	631.65

43 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 31 March 2024	Year ended 31 March 2023
Amount required to be spent as per Section 135 of the Companies Act, 2013	7.49	6.14
Amount of expenditure incurred		
(a) Construction/Acquisition of assets	-	-
(b) On purpose other than above (a)	7.50	7.00
Excess/(Short) amount spent under section 135(5)	0.01	0.86
Brought forward Opening Balance Excess/(Short)	0.86	-
Carried forward Closing Balance Excess/(Short)	0.87	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

44 Components of Tax expense / (credit)

Particulars	As at 31 March 2024	As at 31 March 2023
I. Tax expense recognised in Statement of Profit & Loss		
Current tax		
Tax expense for the year	143.67	58.55
Adjustments/ (Credit) related to previous years - (net)	(0.84)	1.35

Particulars	As at 31 March 2024	As at 31 March 2023
Total current tax expense	142.83	59.90
Deferred taxes		
Change in deferred tax assets	(5.93)	2.84
Change in deferred tax liabilities	6.87	(5.27)
Net deferred tax expense / (credit)	0.94	(2.44)
Total tax expense / (credit)	143.77	57.46
II. Tax on other comprehensive income		
Items that will not be reclassified to Profit and Loss		
Remeasurement of the Defined Benefit Plans	1.30	0.60

- (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	As at 31 March 2024	As at 31 March 2023
Profit before tax	609.96	233.68
Applicable tax rate	25.17%	25.17%
Tax using the Company's domestic tax rate	153.51	58.81
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	2.65	4.01
Effect of Income that is exempt from tax	(10.98)	(0.23)
Effect of Expenses that are allowed at lower rate	(6.08)	(6.86)
Effect for allowances for taxable for Income Tax purpose	4.20	-
TOTAL	143.30	55.73

45 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.”

46 Analytical Ratios

Particulars	Numerator/Denominator	March 31, 2024	March 31, 2023	Change in %
(a) Current Ratio	Current Assets	2.14	2.05	4.46%
	Current Liabilities			
(b) Debt-Equity Ratio	Total Debts	0.30	0.35	-13.74%
	Equity			
(c) Debt Service Coverage Ratio	Earning available for Debt	18.01	3.34	439.47%
	Interest + Installments			
(d) Return on Equity Ratio	Profit after Tax	12.20%	5.11%	138.75%
	Average Shareholder's Equity			
(e) Inventory turnover ratio	Total Turnover	3.95	3.64	8.60%
	Average Inventories			

Particulars	Numerator/Denominator	March 31, 2024	March 31, 2023	Change in %
(f) Trade receivables turnover ratio	Total Turnover	6.79	6.15	10.43%
	Average Account Receivable			
(g) Trade payables turnover ratio	Total Purchases	0.60	0.72	-17.15%
	Average Account Payable			
(h) Net capital turnover ratio	Total Turnover	3.56	3.57	-0.23%
	Net Working Capital			
(i) Net profit ratio	Net Profit	5.67%	2.36%	140.21%
	Total Turnover			
(j) Return on Capital employed	Net Profit	13.83%	7.87%	75.69%
	Capital Employed			
(k) Return on investment	Return on Investment	31.56%	7.98%	295.38%
	Total Investment			

Notes:

(c) Debt Service Coverage Ratio	Variance is due to decrease in operational profit margins during the current financial year as compared to previous financials
(d) Return on Equity Ratio	
(i) Net profit ratio	
(j) Return on Capital employed	
(k) Return on investment	Variance is on due to higher returns on investments measured at fair value through profit and loss as compared to previous reporting period.

47 Loans given, Investments made and Corporate Guarantees given u/s 186(4) of the Companies Act, 2013 are disclosed under the respective notes.

48 The Company has obtained borrowings against security of current assets from Banks. The Company has submitted various documents to the banks, details of which are summarised as **Annexure A**.

49 Additional regulatory information:

- (i) The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- (ii) The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.
- (iii) The Company has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.
- (iv) Utilisation of borrowed funds and share premium:
 - (a) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
 - (b) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) 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 by or on behalf of the Company (Ultimate Beneficiaries) or
 - Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

- (v) There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.
- (vi) The Company has not traded or invested in crypto currency or virtual currency during the year.
- (vii) The Company does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies beyond the statutory period.
- (viii) The Company do not have any transaction with the struck off companies.

50 Previous year's figures have been reclassified/regrouped, wherever applicable to confirm to current year's classification..

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As per our report attached of even date
For **CGCA & Associates LLP**
Chartered Accountants
Firm Reg. No. :123393W / W100755

For and on behalf of the Board of Directors
Sky Industries Limited
CIN: L17120MH1989PLC052645

Champak K Dedhia
Partner
Membership No.101769
Mumbai, Dated: 21st May, 2024
UDIN: 24101769BKAJPE7703

Shailesh Shah
Managing Director
DIN: 00006154

Sharad Shah
Whole Time Director
DIN: 00006114

Maikal Roarani
Whole Time Director & CFO
DIN: 00037831

Priyal Ruparelia
Company Secretary
ICSI M. No. A71040

ANNEXURE - A

The Company has obtained borrowings against security of current assets from Banks. The Company has submitted various documents to the bank, details of which are summarised below

Quarter Ended	Particulars	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of Difference	Reason For Material Discrepancies
Jun-23	Stock	1,980.55	1,761.12	(219.44)	Stock-in-transit was inadvertently excluded at the time of submission to bank
	Debtors	1,203.87	1,206.76	2.89	NA
	Creditors	408.65	850.16	441.52	Balances pertaining to Letter of Credits were inadvertently included in the Creditors list at the time of submission to bank
Sep-23	Stock	2,097.05	2,086.70	(10.35)	NA
	Debtors	1,283.99	1,283.43	(0.56)	NA
	Creditors	405.59	1,078.98	673.39	Balances pertaining to Letter of Credits were inadvertently included in the Creditors list at the time of submission to bank
Dec-23	Stock	2,300.40	2,009.26	(291.14)	Stock-in-transit was inadvertently excluded at the time of submission to bank
	Debtors	1,357.47	1,355.68	(1.79)	NA
	Creditors	674.88	957.17	282.29	Balances pertaining to Letter of Credits were inadvertently included in the Creditors list at the time of submission to bank
Mar-24	Stock	1,994.42	1,994.42	-	NA
	Debtors	1,270.15	1,270.15	-	NA
	Creditors	514.68	514.68	-	NA



CONSOLIDATED FINANCIAL STATEMENTS

Independent Auditor's Report

To the Members of Sky Industries Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of Sky Industries Limited ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which comprises the Consolidated Balance Sheet as at 31st March 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries and associates referred to in the Other Matters section below, the aforesaid Consolidated 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 Indian Accounting Standards prescribed under section 133 of the Act, ("IndAS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March, 2024, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated 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 Consolidated 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 Consolidated 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 Consolidated 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 Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated 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 specific terms and conditions.</p> <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>	<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. 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, if any. We assessed manual journals posted to revenue to identify unusual items and out of system processing.

Key Audit Matter	How the matter was addressed in our audit
<p>Inventory Valuation</p> <p>The net carrying value of inventory as on 31st March 2024 is 33.04% of Total Assets of the Group.</p> <p>Inventories are valued at lower of cost and net realizable value.</p> <p>Sales in the industry can be extremely volatile with the consumer demand changing significantly based on current trends. As a result there is a risk that the carrying value of inventory exceeds its net Realizable Value.</p> <p>Hence we have determined valuation of inventories as a Key Audit Matter.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> Evaluating the rationality of Inventory Policies such as the policy of inventory valuation and provision for obsolescence and understanding whether the valuation of inventory was performed in accordance with the Group's Policy. Analyzing the inventory aging report and net realizable value Of Inventories. Inspecting the post period sales situation and evaluating the net realizable value of measurement applied on aging inventory in order to verify the evaluation accuracy of the estimated inventory allowance by the company. Tested the valuation of inventory on sampling basis, by comparing the value of raw materials and traded goods with the underlying supporting documents.

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

The Parents 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 Consolidated Financial Statements, Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated 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 Consolidated 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.

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

The Parent's 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 Consolidated 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 Consolidated Financial Statements, the respective Management and the Board of Directors of the Companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group and of its associates are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated 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 the Consolidated 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 Consolidated 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 Consolidated financial statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the Consolidated Financial Statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated 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 of the Parent and such other entities included in the Consolidated Financial Statements of which we are the independent auditors 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 Consolidated 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

- With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us included in the Consolidated Financial Statements, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks in the CARO reports of the said companies included in the Consolidated Financial Statements.
- As required by Section 143(3) of the Act, based on our audit, we report that:
 - 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.
 - In our opinion proper books of account as required by law maintained by the Group including relevant records relating to preparation of the aforesaid Consolidated Financial Statements have been kept by the Company so far as it appears from our examination of those books;
 - The Consolidated Balance sheet, the consolidated statement of profit and loss(including other comprehensive income), the consolidated statement of cash flow and the consolidated statement of changes in equity dealt with by this Report are in agreement with the relevant books of account;
 - 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 31st March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2024 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 A”; 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 31st March, 2024 on its financial position in its Consolidated 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 mis-statement.
 - v. The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.
 - vi. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial yearended 31st March, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1st April, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31st March, 2024.

For CGCA & Associates LLP

Chartered Accountants

Firm Regn No : 123393W / W100755

Champak K. Dedhia

Partner

Place: Mumbai

Date: 21st May, 2024

Membership No: 101769

UDIN: 24101769BKAJPD2893

Annexure - A 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")

In conjunction with our audit of the Consolidated Financial Statements of the Company as at and for the year ended March 31, 2024, we have audited the internal financial controls with reference to Consolidated Financial Statements of Sky Industries Limited (hereinafter referred to as "the Company" or "Parent") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective management and the Board of Director of the Parent and the Subsidiaries are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to Consolidated 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 Consolidated 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 Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated 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 Consolidated 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 Consolidated 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.

Opinion

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 31st March 2024, 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.

For CGCA & Associates LLP

Chartered Accountants

Firm Regn No : 123393W / W100755

Champak K. Dedhia

Partner

Place: Mumbai

Date: 21st May, 2024

Membership No: 101769

UDIN: 24101769BKAJPD2893

Consolidated Balance Sheet As At 31st March 2024

(All amount in Rupees lakhs, unless otherwise stated)

Particulars	Note	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	1,050.90	1,043.51
Capital work-in-progress	3A	20.81	16.76
Intangible assets	3B	0.44	0.75
Intangible assets under development	3C	20.37	6.72
Right-of-use assets	3D	53.64	99.63
Financial assets			
Investments	4A	493.36	401.69
Other financial asset	5	35.71	30.58
Other non-current assets	6	4.34	16.79
Total Non-current assets (I)		1,679.57	1,616.43
Current assets			
Inventories	7	2,053.17	2,180.39
Financial assets			
Investments	4B	331.27	284.29
Trade receivables	8	1,090.97	1,228.13
Cash and cash equivalents	9	48.42	26.99
Bank balances other than cash and cash equivalents	10	488.66	99.96
Other financial asset	11	33.69	25.53
Other current assets	12	487.57	468.50
Total Current assets (II)		4,533.76	4,313.79
Total Assets (I + II)		6,213.33	5,930.22
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	789.05	785.98
Other equity	14	3,186.43	2,848.06
Total Equity (I)		3,975.48	3,634.05
Non Controlling interests		-	-
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	15	4.58	33.25
Lease liabilities	3D	9.19	59.99
Other financial liabilities	16	1.75	1.75
Provisions	17	9.98	11.90
Deferred Tax Liabilities (Net)	18	84.57	85.36
Total Non-current liabilities (II)		110.07	192.25
Current liabilities			
Financial liabilities			
Borrowings	19	1,216.46	1,242.73
Lease liabilities	3D	50.80	44.22
Trade payables	20		
Total outstanding dues of micro enterprises and small enterprises		23.47	37.63
Total outstanding dues of creditors other than micro enterprises and small enterprises		602.19	594.02
Other financial liabilities	21	19.24	15.29
Other current liabilities	22	148.07	136.79
Provisions	23	67.55	33.25
Total Current liabilities (III)		2,127.79	2,103.92
Total Equity and Liabilities (I + II + III)		6,213.33	5,930.22

CORPORATE INFORMATION

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NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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For and on behalf of the Board of Directors

Sky Industries Limited

CIN: L17120MH1989PLC052645

As per our report attached of even date

For CGCA & Associates LLP

Chartered Accountants

Firm Reg. No. :123393W / W100755

Shailesh Shah

Managing Director

DIN: 00006154

Sharad Shah

Whole Time Director

DIN: 00006114

Champak K Dedhia

Partner

Membership No.101769

Mumbai, Dated: 21st May, 2024

UDIN: 24101769BKAJPD2893

Maikal Roarani

Whole Time Director & CFO

DIN: 00037831

Priyal Ruparelia

Company Secretary

ICSI M. No. A71040

Consolidated Statement of Profit and Loss for the year ended 31 March 2024

(All amount in Rupees lakhs, unless otherwise stated)

Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
Income			
Revenue from operations	24	8,166.02	7,492.09
Other income	25	150.54	31.48
Total Income		8,316.56	7,523.58
Expenses			
Cost of materials consumed	26	4,847.92	5,159.78
Purchase of Stock In Trade		376.26	496.05
Changes in inventories of finished goods	27	305.76	(394.16)
Employee benefits expenses	28	596.57	557.18
Finance costs	29	128.57	159.64
Depreciation and amortisation expense	30	174.64	169.81
Other expenses	31	1,332.11	1,141.61
Total Expenses		7,761.83	7,289.90
Profit before exceptional items and tax		554.73	233.67
Profit before tax		554.73	233.67
Tax expense / (credit)	42		
- Current tax		143.67	58.55
- Adjustments/ (Credit) related to previous years - (net)		(0.84)	1.35
- Deferred tax		(2.09)	(3.04)
		140.74	56.86
Profit after tax		413.99	176.82
Other comprehensive income (OCI)			
Items that will not be reclassified to profit and loss			
(i) Re-measurement of gains on defined benefit plans		5.17	2.39
(ii) Income tax related to above		(1.30)	(0.60)
Other comprehensive income for the year (net of tax)		3.87	1.79
Total comprehensive income for the year		417.86	178.61
Profit for the year attributable to:			
- Owners of the Company		413.90	176.82
- Non controlling interest		0.08	-
Other comprehensive income attributable to:			
- Owners of the Company		3.87	1.79
- Non controlling interest		0.00	-
Total comprehensive income attributable to:			
- Owners of the Company		417.77	178.61
- Non controlling interest		0.08	-
Earnings per equity share:	34		
Basic and diluted (in Rs.)		5.25	2.27
Face value per share (in Rs.)		10.00	10.00

CORPORATE INFORMATION

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MATERIAL ACCOUNTING POLICIES

2

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

3 to 47

As per our report attached of even date

For **CGCA & Associates LLP**

Chartered Accountants

Firm Reg. No. :123393W / W100755

Champak K Dedhia

Partner

Membership No.101769

Mumbai, Dated: 21st May, 2024

UDIN: 24101769BKAJPD2893

For and on behalf of the Board of Directors

Sky Industries Limited

CIN: L17120MH1989PLC052645

Shailesh Shah

Managing Director

DIN: 00006154

Sharad Shah

Whole Time Director

DIN: 00006114

Maikal Roarani

Whole Time Director & CFO

DIN: 00037831

Priyal Ruparelia

Company Secretary

ICSI M. No. A71040

Consolidated Statement of Cash Flow for the year ended 31 March 2024

(All amount in Rupees lakhs, unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
A Cash flow from operating activities		
Net Profit before tax	554.73	233.67
Adjustments to reconcile profit before tax to net cash flows:		
Add: Depreciation of property, plant and equipment	174.64	169.81
Add: Interest expense and other finance cost	128.57	159.15
Add: Processing fees	-	0.49
Add: Share based expense	1.72	18.87
Less: Interest income	(5.76)	(4.47)
Less: Interest on Income Tax refund	(0.65)	-
Less: Interest on financial asset carried at cost	(0.98)	(0.92)
Less: Unrealised gain on investments classified through Fair Value through Profit and Loss	(90.56)	(22.22)
Less: Realised gain on investments classified through Fair Value through Profit and Loss	(6.58)	-
Less: Profit on sale of property, plant and equipment	-	(1.24)
	200.40	319.48
Operating Profit Before Changes in Working Capital	755.12	553.15
Adjustment for Changes in Working Capital		
(Increase) / Decrease in Trade Receivables	137.15	(20.22)
(Increase) / Decrease in Inventories	127.22	(241.87)
(Increase) / Decrease in Other Non - Current Financial Assets	(4.16)	(21.08)
(Increase) / Decrease in Other Current Financial Assets	(8.16)	16.96
(Increase) / Decrease in Other Current Assets	(19.07)	127.15
Increase / (Decrease) in Trade Payables	(5.99)	(110.30)
Increase / (Decrease) in Other Current Financial Liabilities	3.96	3.83
Increase / (Decrease) in Other Current Liabilities	11.29	28.67
Increase / (Decrease) in Non Current Provisions	(1.93)	(2.18)
Increase / (Decrease) in Current Provisions	29.13	(2.32)
	269.44	(221.37)
Cash Generated from Operations	1,024.56	331.79
Less: Taxes Paid (Net of refund received)	(119.39)	(71.10)
Less: Dividend and dividend tax paid	(78.91)	(78.60)
Net cash used in operating activities	826.27	182.09
B Cash flow from investing activities		
Purchase of property, plant and equipment / intangible assets (including capital work-in-progress)	(153.43)	(79.88)
Sale of property, plant and equipment / intangible assets (including capital work-in-progress)	-	2.20
Purchase of Investments	(87.27)	(24.00)
Sale of Investments	45.77	-
Interest Received	5.76	4.47
Loan given	-	-
Movement in other bank balances	(388.71)	19.62
Net cash generated from / (used in) investing activities	(577.88)	(77.60)

Particulars		Year ended 31 March 2024	Year ended 31 March 2023
C	Cash flow from financing activities		
	Repayment of long term borrowings	(28.67)	(63.62)
	Repayment of Lease Liability	(51.40)	(48.95)
	Increase/ (Decrease) in Working Capital facility	(26.27)	(55.37)
	Proceeds from issue of shares and share warrants	0.77	227.25
	Finance Cost	(121.38)	(148.49)
	Net cash generated from financing activities	(226.95)	(89.18)
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	21.43	15.31
	Opening balance of cash and cash equivalents	26.99	11.67
	Closing balance of cash and cash equivalents	48.42	26.99
	Components of cash and cash equivalents:		
	Balances with banks in current accounts	35.90	18.29
	Cash on hand	12.51	8.69
	Cash and cash equivalents as per financial statements (Refer note 9)	48.42	26.99

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 / W100755

Champak K Dedhia

Partner
Membership No.101769
Mumbai, Dated: 21st May, 2024
UDIN: 24101769BKAJPD2893

For and on behalf of the Board of Directors
Sky Industries Limited
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Shailesh Shah
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DIN: 00037831

Sharad Shah
Whole Time Director
DIN: 00006114

Priyal Ruparelia
Company Secretary
ICSI M. No. A71040

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

(All amount in Rupees lakhs, unless otherwise stated)

1 CORPORATE INFORMATION

The Consolidated Financial Statements comprise financial statements of Sky Industries Limited ('the Parent' or 'the Parent Company') and its subsidiary (collectively, 'the Group') and for the year ended 31st March, 2024.

The Parent is a Public limited Company 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 Parent 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 MATERIAL ACCOUNTING POLICIES

2.1) BASIS FOR PREPARATION OF ACCOUNTS

(a) Basis of preparation

These financial statements are the Consolidated Financial Statements of the Group (also called Consolidated Financial Statements) 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.

These Consolidated 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 Group'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 Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

These Consolidated Financial Statements are presented in INR, (which is also the functional currency of the Parent Group) Items included in the financial statements of the Group are recorded using the currency of the primary economic environment in which the Group operates (the 'functional currency').

(b) Basis of Consolidation

The Consolidated Financial Statements comprise the financial statements of the Parent Company and its subsidiaries.

The Parent Company consolidates all the entities where control exists as per Ind AS 110, Consolidated Financial Statements from the date control commences until the date control ceases. Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Parent Company has less than a majority of the voting or similar rights of an investee, the Parent Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including :

- The contractual arrangement with the other vote holders of the investee,
- Rights arising from other contractual arrangements,
- The Parent Company's voting rights and potential voting rights,
- The size of the Parent Company's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Parent Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the Consolidated Financial Statements from the date the Parent Company gains control until the date the Parent Company ceases to control the subsidiary. Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent Company, i.e., year ended on 31st March.

The Consolidated Financial Statements of the Group have been combined on a line-by-line basis, after fully eliminating intra-group balances, and intra-group transactions and resulting unrealised profits. Unrealised losses resulting from intragroup transactions are not eliminated unless cost cannot be recovered. Ind AS 12, Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Consolidated Profit or loss and each component of other comprehensive income (OCI) are attributed to the owners of the Group and to the noncontrolling interests, even if this results in the non-controlling interests having a deficit balance.

Details of Subsidiaries:

Name of the Company	Country of Incorporation	Holding as at 31st March, 2024	Holding as at 31st March, 2023	Accounting period
Skytech Textiles Private Limited	India	99.98%	NA	12th June, 2023 to 31st March, 2024

(b) Basis of Measurement

These Consolidated Financial Statements are prepared under the historical cost convention unless otherwise indicated.

2.2) Key Accounting Estimates and Judgements

The preparation of the Consolidated 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:

- Measurement of defined benefit obligations
- Measurement and likelihood of occurrence of provisions and contingencies
- Recognition of deferred tax assets
- Measurement of Lease liabilities and Right of Use Asset (ROUA)

MATERIAL 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 Group 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 Group 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 Standalone Financial Statements are presented in Indian Rupee (INR), which is Group'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.

2.5 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 Group 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 Group'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 Group 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 Group for its intended use. The useful life so determined is as follows:

Asset	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 Group 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 Group 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 Group has decided to classify the same either at FVOCI or FVTPL. The Group 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 Group 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 Group of similar financial assets) primarily derecognised (i.e. removed from the Group's balance sheet) when :

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

When the Group 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 Group continues to recognise the transferred asset to the extent of the Parent's continuing involvement. In the case, the Group recognises and associated liability. The transferred asset and the associated liability are measured on a basis that reflect the rights and obligations that the Group 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 Group could be required to repay.

d) Impairment of financial assets

In accordance with Ind-AS 109, the Group 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 Group 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 Group 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 Group 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.

Wd) 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 Group 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 Group 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 Group 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 Group pays provident fund contributions to publicly administered funds as per the local regulations. The Group 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 Group 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 Group 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 Group 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 Group :

- 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 Group 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 Group :

- 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 Group 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 Group 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 Group by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Group'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 Group 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 Group's cash management.

2.16 DIVIDEND

The Group recognises a liability for dividends to equity holders of the Group when the dividend is authorised and the dividend is no longer at the discretion of the Group. 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 Group is such that its disclosure improves the understanding of the performance of the Group, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes as Grouping to the financial statements.

2.20 OPERATING CYCLE

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

2.21 LEASES

As a lessee:

The Group 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 Group 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 Group 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.

2.22 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, 2024.

3 Property, plant and equipment

Particulars	Leasehold Land	Factory Buildings	Plant and Machinery	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
Gross block								
Balance as at 1 April 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 31 March 2023	41.33	236.05	1,094.77	62.87	105.57	38.21	20.72	1,599.52
Additions	-	-	103.58	19.54	-	2.44	10.17	135.73
Disposals / adjustments	-	-	-	-	-	-	-	-
Balance as at 31 March 2024	41.33	236.05	1,198.35	82.43	105.58	40.65	30.89	1,735.26
Accumulated depreciation and amortisation								
Balance as at 1 April 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 31 March 2023	4.03	61.62	373.24	26.75	42.11	32.35	15.90	556.01
Depreciation charge	0.52	12.32	88.85	7.88	12.86	1.74	4.18	128.35
Reversal on disposals / adjustments	-	-	-	-	-	-	-	-
Balance as at 31 March 2024	4.55	73.94	462.10	34.63	54.97	34.10	20.08	684.36
Net block								
Balance as at 31 March 2023	37.30	174.43	721.53	36.12	63.46	5.85	4.82	1,043.51
Balance as at 31 March 2024	36.78	162.11	736.25	47.80	50.61	6.55	10.82	1,050.90

3A Capital work-in-progress

Particulars	Factory Buildings	Plant & Machinery	Total
Gross block			
Balance as at 1 April 2022	16.76	-	16.76
Additions	-	-	-
Disposals / adjustments	-	-	-
Balance as at 31 March 2023	16.76	-	16.76
Additions	-	4.05	4.05
Disposals / adjustments	-	-	-
Balance as at 31 March 2024	16.76	4.05	20.81

Capital work in progress (CWIP) ageing schedule

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31st March 2024					
Projects in progress	4.05	-	-	16.76	20.81
Projects temporarily suspended	-	-	-	-	-
TOTAL	4.05	-	-	16.76	20.81

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

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

Particulars	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
As at 31st March 2024				
Projects in progress	4.05	16.76	-	-
Projects temporarily suspended	-	-	-	-
TOTAL	4.05	16.76	-	-

3B Intangible assets

Particulars	Software Licenses	Total
Balance as at 1 April 2022	1.52	1.52
Additions	0.96	0.96
Disposals / adjustments	-	-
Balance as at 31 March 2023	2.48	2.48
Additions	-	-
Disposals / adjustments	-	-
Balance as at 31 March 2024	2.48	2.48
Accumulated amortisation		
Balance as at 1 April 2022	1.33	1.33
Amortisation charge	0.40	0.40
Reversal on disposals / adjustments	-	-

Particulars	Software Licenses	Total
Balance as at 31 March 2023	1.73	1.73
Amortisation charge	0.31	0.31
Reversal on disposals / adjustments	-	-
Balance as at 31 March 2024	2.04	2.04
Net block		
Balance as at 31 March 2023	0.75	0.75
Balance as at 31 March 2024	0.44	0.44

3C Intangible assets under development

Particulars	Software Licenses	Total
Gross block		
Balance as at 1 April 2022	-	-
Additions	6.72	6.72
Disposals / adjustments	-	-
Balance as at 31 March 2023	6.72	6.72
Additions	13.65	13.65
Transfer from CWIP	-	-
Disposals / adjustments	-	-
Balance as at 31 March 2024	20.37	20.37

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 31st March 2024					
Projects in progress	13.65	6.72	-	-	20.37
Projects temporarily suspended	-	-	-	-	-
TOTAL	13.65	-	-	-	20.37

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 31st March 2023					
Projects in progress	6.72	-	-	-	6.72
Projects temporarily suspended	-	-	-	-	-
TOTAL	6.72	-	-	-	6.72

Note: The Group 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 Group has entered into lease contracts for premises to use it for commercial purpose to carry out its business operations i.e. corporate head office. Lease agreements does not depict any restrictions / covenants imposed by the lessor. The Group also has certain leases of premises with lease terms of 12 months or less. The Group 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 31 March 2024	Year ended 31 March 2023
Balance at the beginning of the year	99.63	-
Add: Additions	-	145.61
Less: Depreciation	(45.98)	(45.98)
Less: Reduction on Termination of contract	-	-
Balance at the end of the year	53.64	99.63

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

Particulars	As at 31 March 2024	As at 31 March 2023
i) Movement in lease liabilities		
Balance at the beginning of the year	104.20	-
Add : Additions	-	142.49
Add: Accretion of interest	7.18	10.67
Less: Payments	(51.40)	(48.95)
Balance at the end of the year	59.99	104.20
ii) Details of contractual maturities of lease liabilities on undiscounted basis		
Less than one year	53.97	51.40
One to two years	9.29	53.97
Two to five years	-	9.29
More than five years	-	-
Total	63.26	114.66
iii) Break-up of lease liabilities on discounted basis		
Lease liabilities (current)	50.80	44.22
Lease liabilities (non-current)	9.19	59.99
TOTAL	59.99	104.20

(c) Amount recognised in statement of profit and loss

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation expense of right of use assets (Refer note 31)	45.98	45.98
Interest expense on lease liabilities	7.18	10.67
Rent expense relating to short-term lease (Refer note 32)	66.19	69.77
TOTAL	119.35	126.42

(d) Other disclosures

The Group 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 31 March 2024		As at 31 March 2023	
	No. of units	Amount	No. of units	Amount
Investments in equity instruments (Unquoted and fully paid up)				
Investment in equity oriented mutual funds (at fair value through profit and loss)	16,98,907	493.36	16,25,180	401.69
TOTAL	16,98,907	493.36	16,25,180	401.69
Aggregate amount of unquoted investments - At fair value through profit and loss	16,98,907	493.36	16,25,180	401.69
Aggregate value/ market value of quoted investments	-	-	-	-
Aggregate value/ market value of unquoted investments	16,98,907	493.36	16,25,180	401.69
Aggregate amount of impairment in value of investments	-	-	-	-
TOTAL	16,98,907	493.36	16,25,180	401.69

4B Financial Assets - Investments (Current)

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of units	Amount	No. of units	Amount
Investments in Debt oriented liquid mutual funds (Unquoted and fully paid up)				
Investment in debt oriented liquid mutual funds (at fair value through profit and loss)	8,00,893	331.27	9,29,741	284.29
TOTAL	8,00,893	331.27	9,29,741	284.29
Aggregate amount of unquoted investments - At fair value through profit and loss	8,00,893	331.27	9,29,741	284.29
Aggregate value/ market value of quoted investments	-	-	-	-
Aggregate value/ market value of unquoted investments	8,00,893	331.27	9,29,741	284.29
Aggregate amount of impairment in value of investments	-	-	-	-
TOTAL	8,00,893	331.27	9,29,741	284.29

5 Financial Assets - Others (Non-Current)

Particulars	As at 31 March 2024	As at 31 March 2023
[Unsecured, considered good]		
Security deposits	35.71	30.58
TOTAL	35.71	30.58

6 Non Current Tax Assets (Net)

Particulars	As at 31 March 2024	As at 31 March 2023
Income Tax Asset [Net of Provision Nil (Rs. 164.80 Lakhs)]	4.34	16.79
TOTAL	4.34	16.79

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

Particulars	As at 31 March 2024	As at 31 March 2023
Raw Materials	767.30	602.13
Work in Progress	199.67	324.98
Finished Goods	1,052.61	1,233.06
Packing Material	33.59	20.22
TOTAL	2,053.17	2,180.39

8 Trade receivables

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good	1,121.07	1,238.27
Less: Allowances for expected credit losses	(30.10)	(10.14)
	1,090.97	1,228.13
Trade receivables - Credit Impaired	-	-
Less: Allowances for expected credit losses	-	-
TOTAL	1,090.97	1,228.13

Note:

- Above trade receivables includes Rs 137.15 Lakhs (Rs 111.07 Lakhs) dues from Private Companies in which a director is a director or member. Refer Note no 39 for details of related party
- Refer Note - 37 for information about credit risk of trade receivables.
- Refer Note - 40 for trade receivables ageing details.

9 Cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Balances with banks in current accounts	35.90	18.29
Cash on hand	12.51	8.69
TOTAL	48.42	26.99

10 Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Unpaid Dividend Account (Refer note i. Below)	19.24	15.29
Margin Money with Banks (Refer note ii. Below)	469.42	84.67
TOTAL	488.66	99.96

Note:

- 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.
- Margin Money Deposit are lien marked against borrowings from Kotak Mahindra Bank.

11 Financial Assets - Others (Current)

Particulars	As at 31 March 2024	As at 31 March 2023
[Unsecured, considered good]		
Security deposits	33.69	25.53
TOTAL	33.69	25.53

12 Other current assets

Particulars	As at 31 March 2024	As at 31 March 2023
[Unsecured, considered good]		
Advances other than capital advances		
Advance to employees	31.81	11.82
Advance to suppliers / expenses	36.94	62.02
Others		
Balance with government authorities	342.57	362.90
Export incentive receivable	57.17	23.07
Prepaid expenses	19.08	8.69
TOTAL	487.57	468.50

13 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of shares	Amount	No. of shares	Amount
Authorised share capital				
Equity Shares of Rs. 10/- each	1,50,00,000	1,500.00	1,50,00,000	15,00.00
Redeemable Preference Shares of Rs. 100/- each	5,00,000	500.00	5,00,000	500.00
Total Authorized Share Capital	1,55,00,000	2,000.00	1,55,00,000	20,00.00
Issued, subscribed and fully paid up shares				
Equity shares of Rs. 10 each	78,90,541	789.05	78,59,841	785.98
Total issued, subscribed and paid up share capital	78,90,541	789.05	78,59,841	785.98

a) Issued during the year:

- (i) During the period Parent has allotted 30,700 (Nil) shares pursuant to the exercise of the options by the eligible employees under the ESOP Plan 2018
- (ii) The Parent 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 2020-21) after receiving the balance amount:-

Name	Category	No of Shares	Amount per share	Amount
Shailesh S. Shah	Promoter	3,60,000	Rs. 30	108.00
Sharad S. Shah	Promoter	1,50,000	Rs. 30	45.00
Saloni Dedhia	Promoter	2,35,000	Rs. 30	70.50
Harini Dedhia	Non Promoter	2,65,000	Rs. 30	79.50

b) Reconciliation of the number of shares outstanding :

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of Shares	Amount	No. of Shares	Amount
Shares at the beginning of the year	78,59,841	785.98	68,49,841	684.98
Add: Issued during the year (refer note (a) above)	30,700	3.07	1,010,000	101.00
Less: Shares bought back during the year	-	-	-	-
Shares at the end of the year	78,90,541	789.05	78,59,841	785.98

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 exists currently.

d) Shareholders holding more than 5% shares each :

Name of the Shareholder	As at 31 March 2024		As at 31 March 2023	
	No. of Shares	%	No. of Shares	%
Shailesh Shah	27,80,623	35.24%	27,80,623	35.38%
Sharad Shah	11,62,043	14.73%	11,62,043	14.78%
Saloni Dedhia	4,74,400	6.01%	4,74,400	6.04%
Harini Narendra Dedhia	5,30,000	6.72%	5,30,000	6.74%
Sky Finvest Pvt Ltd *	1,63,500	2.07%	1,63,500	2.08%
Total	51,10,566	64.77%	51,10,566	65.02%

* Beneficial ownership is of Shailesh Shah

e) Disclosure of Shareholding of Promoters is as follows:-

As at 31 March 2024

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	27,80,623	-	27,80,623	35.24%	-0.14%
Sharad S. Shah	11,62,043	-	11,62,043	14.73%	-0.06%
Saloni Dedhia	4,74,400	-	4,74,400	6.01%	-0.02%
Sangita Shailesh Shah	4,350	-	4,350	0.06%	0.00%
Sky Finvest Private Limited	1,63,500	-	1,63,500	2.07%	-0.01%
Total	45,84,916	-	45,84,916	58.11%	-0.23%

As at 31 March 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	24,20,623	3,60,000	27,80,623	35.38%	2.35%
Sharad S. Shah	10,12,043	1,50,000	11,62,043	14.78%	-0.77%
Saloni Dedhia	2,39,400	2,35,000	4,74,400	6.04%	3.41%
Sangita Shailesh Shah	4,350	-	4,350	0.06%	-0.02%
Sky Finvest Private Limited	1,63,500	-	1,63,500	2.08%	-0.56%
Total	38,39,916	7,45,000	45,84,916	58.33%	4.41%

(f) Shares reserved for issue under options:

The Group 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 Other Equity

Particulars	No. of shares	Amount
As at 01 April 2022	68,49,841	684.98
Changes in equity share capital	10,10,000	101.00
As at 31 March 2023	78,59,841	785.98
As at 01 April 2023	78,59,841	785.98
Changes in equity share capital	30,700	3.07
As at 31 March 2024	78,90,541	789.05

Other equity

Particulars	Securities Premium	General Reserve	Retained Earnings	Share Warrants	Share options outstanding account	Total
Opening balance as at 1 April 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	-	-	176.82	-	-	176.82
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
Share based payment expenses	-	-	-	-	18.87	18.87
Dividend paid for the FY 2021-22	-	-	(78.60)	-	-	(78.60)
Closing balance as at 31 March 2023	717.95	80.80	2,012.78	-	36.54	2,848.06
Opening balance as at 1 April 2023	717.95	80.80	2,012.78	-	36.54	2,848.06
Transactions during the year						
Total comprehensive income for the year						
Profit for the year	-	-	413.99	-	-	413.99
Remeasurements gains on defined benefit plans	-	-	3.87	-	-	3.87
Transactions with owners in their capacity as owners						
Issue of equity shares on exercise of Employee Stock Options	18.28	17.66	-	-	(38.25)	(2.30)
Share based payment expenses	-	-	-	-	1.72	1.72
Dividend paid for the FY 2022-23	-	-	(78.91)	-	-	(78.91)
Closing balance as at 31 March 2024	736.23	98.46	2,351.73	-	-	3,186.43

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.

General Reserve

The Parent 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.

15a Dividends Paid / Proposed during the year

Particulars	As at 31 March 2024	As at 31 March 2023
Corporate dividend paid during the year		
Dividend Paid	78.91	78.60
Dividend Per Fully Paid Up Share	1.00	1.00
Corporate dividend proposed for the year		
Dividend Proposed	78.91	78.91
Dividend Proposed Per Fully Paid Up Share	1.00	1.00

15 Borrowings (non-current)

Particulars	As at 31 March 2024	As at 31 March 2023
Secured		
Term Loans - Banks	4.58	32.29
Term Loans - Non-Banking Financial Companies	-	0.96
TOTAL	4.58	33.25

Notes :-

A Term Loans :

- Term loan from HDFC Bank Ltd. aggregating to Rs. 5.85 Lakhs (Rs. 8.74 Lakhs) carries interest rate @ 8.35 % p.a. repayable in 60 equated monthly installments of Rs. 0.31 Lakhs each.
- Term loan from HDFC Bank Ltd. aggregating to Rs. 5.57 Lakhs (Rs. 8.99 Lakhs) carries interest rate @ 8.35 % p.a. repayable in 60 equated monthly installments of Rs. 0.31 Lakhs each.
- Term loan from HDFC Bank Ltd. aggregating to Rs. 2.17 Lakhs (Rs. 4.89 Lakhs) carries interest rate @ 7.30 % p.a. repayable in 36 equated monthly installments of Rs. 0.25 Lakhs each.
- Emergency Credit Line Guarantee Scheme (ECLGS) loan from Kotak Mahindra Bank Ltd. aggregating to Rs. 27.27 Lakhs (Rs. 78.32 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 Group, first and exclusive charge on moveable fixed assets of the Group 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.
- Term loan from Kotak Mahindra Prime Ltd. aggregating to Rs 0.21 Lakhs (Previous year Rs. 2.58 Lakhs) carries interest rate @ 9.5 % p.a. repayable in 60 equated monthly installments of Rs. 0.21 Lakhs each.
- Term loan from Kotak Mahindra Prime Ltd. aggregating to Rs 0.21 Lakhs (Previous year Rs. 2.58 Lakhs) carries interest rate @ 9.5 % p.a. repayable in 60 equated monthly installments of Rs. 0.21 Lakhs each.
- Term loan from Kotak Mahindra Prime Ltd. aggregating to Rs 0.21 Lakhs (Previous year Rs. 2.58 Lakhs) carries interest rate @ 9.5 % p.a. repayable in 60 equated monthly installments of Rs. 0.21 Lakhs each.

16 Other Financial Liabilities (Non-Current)

Particulars	As at 31 March 2024	As at 31 March 2023
Trade deposits from customers	1.75	1.75
TOTAL	1.75	1.75

17 Provisions (non-current)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
Gratuity	8.01	6.94
Compensated absences	1.97	4.96
TOTAL	9.98	11.90

18 Deferred tax liabilities (net)

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax liability on account of :		
Depreciation and amortisation	87.48	91.82
Investment in mutual funds	24.78	12.97
Preliminary expenses of Subsidiary	0.08	-
Total	112.34	104.80
Deferred tax assets on account of :		
Provision for Bad Debts	7.58	2.55
Provision for Gratuity	2.02	1.75
Provision for Leave Encashment	0.71	1.76
Provision for Bonus	1.17	1.18
Cess Payable	6.67	6.67
Property tax payable	7.24	5.53
Carry forward losses of Subsidiary	2.40	-
Total	27.77	19.44
Deferred tax liabilities (net)	84.57	85.36

19 Borrowings (current)

Particulars	As at 31 March 2024	As at 31 March 2023
Secured		
Loans repayable on demand (Refer Note 19.1, 19.2 & 19.3 below)	1,179.43	1,167.28
Current Maturities of Long Term Debt - Bank	36.29	68.66
Current Maturities of Long Term Debt - Non Banking Financial Company	0.63	6.79
Secured		
Loan from Directors	0.11	-
TOTAL	1,216.46	1,242.73

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 Group.

20 Trade payables

Particulars	As at 31 March 2024	As at 31 March 2023
Due to Micro, Small and Medium Enterprises (Refer Note Below)	23.47	37.63
Total outstanding dues of creditors other than micro enterprises and small enterprises - related parties (Refer note 39)	602.19	594.02
TOTAL	625.66	631.65

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 Group 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, 2024 and March 31, 2023 is as under:

Particulars	As at 31 March 2024	As at 31 March 2023
- Dues remaining unpaid to any supplier Principal	23.47	37.63
- 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	23.47	37.63

21 Other financial liabilities (current)

Particulars	As at 31 March 2024	As at 31 March 2023
Unclaimed Dividend*	19.24	15.29
TOTAL	19.24	15.29

* There is no amount due and outstanding to be credited to Investor Education and Protection Fund

22 Other current liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Advance received from Customers	60.68	56.16
Statutory Dues	45.55	34.71
Other Payables *	41.84	45.92
TOTAL	148.07	136.79

* Includes related party balances of Rs 19.88 Lakhs (Previous year Rs. 10.99 Lakhs)

23 Provisions (current)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
Gratuity	-	-
Compensated absences	0.84	2.03
Others Provision		
Provision for Tax (Net of Taxes Paid 138.49 Lakhs)	5.17	-
Provision for Expenses	61.54	31.22
TOTAL	67.55	33.25

24 Revenue from operations

Particulars	As at 31 March 2024	As at 31 March 2023
Revenue from Contract with Customers		
Sale of Products	8,080.96	7,427.97
Sale of Services	23.98	12.95
Other operating revenues		
Export Incentives	40.56	33.14
Scrap Sales	20.52	18.04
TOTAL	8,166.02	7,492.09

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 31 March 2024	Year ended 31 March 2023
Revenue from contracts with customers disaggregated based on geography		
Domestic Market	6,836.88	6,645.50
Exports	1,268.06	795.42
TOTAL	8,104.94	7,440.92

25b Assets and liabilities related to contracts with customers

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
The following table provides information about receivables, contract assets and contract liabilities from contracts with customers		
Trade receivables	1,090.97	1,228.13
Unbilled receivables	-	-
Contract assets	-	-
Contract liabilities	60.68	56.16

25 Other income

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(a) Interest income		
Interest on financial asset carried at cost	0.98	0.92
Interest on deposits with bank	5.76	4.47
Interest on income tax refund	0.65	-
(b) Other non-operating income		
Liabilities no longer payable written back	1.65	2.13
Miscellaneous income	2.03	1.75
(c) Other gains and losses		
Net gain arising on financial assets measured at FVTPL*	97.14	22.22
Net gain on foreign currency transaction	42.33	-
TOTAL	150.54	31.48

Notes:

* Includes gain on sale of financial assets measured at FVTPL for 6.58 lakhs (Previous year - NIL)

26 Cost of materials consumed

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Raw materials and packing materials consumed		
Opening stock	622.35	774.65
Add: Purchases	5,026.45	5,007.48
Less : Closing stock	(800.89)	(622.35)
TOTAL	4,847.92	5,159.78

27 Changes in inventories of finished goods and stock in trade

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Opening stocks:		
Finished goods	1,233.06	1,013.04
Work in progress	324.98	150.83
TOTAL	1,558.04	1,163.88
Less : Closing stock		
Finished goods	1,052.61	1,233.06
Work in progress	199.67	324.98
TOTAL	1,252.28	1,558.04
Net change in inventories	305.76	(394.16)

28 Employee benefits expense

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Salaries, Wages and Bonus	396.93	361.45
Directors remuneration	153.02	143.72
Contribution to provident and other funds (Refer note 38)	8.57	8.18
Gratuity expenses (Refer note 38)	6.24	7.57
Share based payment expenses (Refer note 33)	1.72	18.87
Staff welfare expenses	30.11	17.39
TOTAL	596.57	557.18

29 Finance costs

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Interest expenses on:		
Borrowings	125.16	158.41
Others (Including interest on delay payment of statutory dues and vendors)	3.41	1.23
TOTAL	128.57	159.64

30 Depreciation and amortisation expense

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation on property, plant and equipment (Refer Note 3)	128.35	123.43
Amortisation of intangible assets (Refer Note 3B)	0.31	0.40
Depreciation on Right of use of Assets (Refer Note 3C)	45.98	45.98
TOTAL	174.64	169.81

31 Other expenses

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Power, Fuel and Utilities	216.42	241.83
Labour charges	431.00	350.37
Lease rent	66.19	69.77
Rates and taxes	59.40	16.63
<u>Repairs & Maintenance on :</u>		
Building	-	6.18
Plant and Machinery	10.37	14.89
Other Repairs	30.54	30.46
Insurance	8.86	9.87
Legal and Professional Fees	81.53	90.44
Freight Forwarding Charges	130.38	87.44
Travelling and Conveyance	116.75	78.97
<u>Payment to Auditors:</u>		
Audit Fees	6.60	6.60
Tax Matters	0.85	0.85
Other Services	0.31	0.23
<u>Donations:</u>		
CSR Donations	7.50	7.00
Others	-	0.21
Bad Debt Written off	23.11	-
Less: Withdrawn from provision for doubtful debts	(10.14)	-
Impairment Allowance for doubtful debts	30.10	1.27
Net Loss on foreign currency transaction	0.29	18.26
Miscellaneous expenses	122.058	110.342
TOTAL	1,332.11	1,141.61

32 Contingent liabilities and capital commitments

Particulars	As at 31 March 2024	As at 31 March 2023
(i) Contingent Liabilities:		
(a) Property Tax towards Navi Mumbai Municipal Corporation of various years	65.62	65.62
(b) Tax deducted at source payable	3.21	2.90
(c) Income Tax demand	1.22	1.22

Notes:-

- (i) It is not practical for the Group 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 Group does not expect any reimbursements in respect of the above contingent liabilities.
- (iii) The Group'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 Group, 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 Group, 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 Parent 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 Parent 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.

During the FY 23-24, the eligible employees of the Parent under the SKY ESOP Scheme, 2018 have exercised their option for 30,700 ESOP options and so the Parent has issued 30,700 equity shares to the eligible employees.

(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	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 31 March 2024		Year ended 31 March 2023	
	Numbers of options	Weighted average exercise price	Numbers of options	Weighted average exercise price
Balance at beginning of year	30,700	10.00	38,265	10.00
Granted during the year	-	-	32,700	10.00
Forfeited during the year	-	-	(2,000)	-
Exercised during the year	(30,700)	-	-	-
Expired during the year	-	10.00	(38,265)	-
Balance at the end of the year	-	10.00	30,700	10.00
Exercisable at the end of the year	-	10.00	30,700	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. 2019-20	51,725	51,725
F.Y. 2020-21	51,725	51,725
F.Y. 2021-22	74,812	74,812
F.Y. 2022-23	-	-
F.Y. 2023-24	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	Details
Grant date	30th April, 2022
Number of options	-
Exercise price (in Rs.)	10
Expected Volatility (p.a.)*	90.85%
Expected time to exercise shares	0
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	0

*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 31 March 2024	Year ended 31 March 2023
Share based payment expenses*	1.72	18.87
Share options outstanding account	-	36.54

*Including for KMPs

Share based payment expenses	Year ended 31 March 2024	Year ended 31 March 2023
Maikal Rorani	0.27	2.95
Vaibhav Desai	0.22	2.46

35 Earnings per share

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Net profit attributable to equity shareholders	413.99	176.82
Weighted average number of equity shares outstanding during the year - Basic	78,90,541	77,79,594
Weighted average number of equity shares outstanding during the year - Diluted (Refer note a below)	78,90,541	78,22,727
Basic profit per share (in Rs.)	5.25	2.27
Diluted profit per share (in Rs.)	5.25	2.26
Face value of share (in Rs.)	10.00	10.00

a) Information concerning the classification of securities

Options granted to employees under the Employee Option Plan viz. 'ESOP 2018' are considered to be potential ordinary shares. They have been included in the determination of diluted earnings per share if the required vesting conditions, if any would have been met by the employees to whom options have been granted. The options have not been included in the determination of basic earnings per share. Details relating to the options are set out in note 33

35 Capital management

The Group's objective for Capital Management is to maximise shareholder value, safeguard business continuity, and support the growth of the Group. Capital includes, Equity Capital, Securities Premium and other reserves and surplus attributable to the equity shareholders of the Group. The Group 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 Group 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 31 March 2024	As at 31 March 2023
Adjusted net debt	352.70	864.75
Adjusted equity	3,975.48	3,634.05
Net debt to equity ratio	0.09	0.24
Borrowings		
Borrowings (non-current)	4.58	33.25
Current maturities of non-current borrowings	37.03	75.45
Borrowings (current)	1,179.43	1,167.28
Gross debt	1,221.04	1,275.98
Less : Cash and bank balances		
Current Investment in Mutual Fund	(331.27)	(284.29)
Cash and cash equivalents	(48.42)	(26.99)
Bank balances other than cash and cash equivalents	(488.66)	(99.96)
Adjusted net debt	352.70	864.75
Total equity as per balance sheet	3,975.48	3,634.05
Adjusted equity	3,975.48	3,634.05

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 31 March 2024	As at 31 March 2023
Financial assets		
Measured at fair value through profit and loss		
Investment in mutual funds	824.62	685.98
	824.62	685.98
Measured at amortised cost		
Trade receivables	1,090.97	1,228.13
Cash and cash equivalents	48.42	26.99
Bank balances other than cash and cash equivalents	488.66	99.96
Loans	-	-
Other financial assets	69.40	56.10
	1,697.46	1,411.18
TOTAL	2,522.08	2,097.15
Financial liabilities		
Measured at amortised cost		
Borrowings	1,221.04	1,275.98
Lease liabilities	59.99	104.20
Trade payables	625.66	631.65
Other financial liabilities	20.99	17.04
TOTAL	1,927.68	2,028.87

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 Group'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 31 March 2024	As at 31 March 2023
Financial assets		
Level 1		
Investments in mutual funds units	824.62	685.98
TOTAL	824.62	685.98

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 Group is exposed to various financial risks majority credit risk, liquidity risk and market risk. The Group'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 Group's exposure to the risk of changes in market interest rates primarily to the Group's borrowings, both short term and long term obligations with floating interest rates.

Exposure to interest rate risk

Group's Interest Rate Risk arises from Borrowings Obligations. Borrowings issued exposes to fair value interest rate risk. The interest rate profile of the Group's interest-bearing Financial Instruments as reported to the management of the Group is as follows.

The Group 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

Particulars	As at 31 March 2024	As at 31 March 2023
Variable-rate instruments		
Financial Liabilities - Borrowings	1,179.43	1,167.28
Total	1,179.43	1,167.28

Sensitivity analysis to interest rate risk

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Financial Instrument	Increase / (Decrease) in Profit			
	As at 31 March 2024		As at 31 March 2023	
	1% increase	1% decrease	1% increase	1% decrease
Financial Liabilities - Borrowings	(11.79)	11.79	(11.67)	11.67
Total	(11.79)	11.79	(11.67)	11.67

Financial Instrument	Increase / (Decrease) in Equity, net of tax			
	As at 31 March 2024		As at 31 March 2023	
	1% increase	1% decrease	1% increase	1% decrease
Financial Liabilities - Borrowings	(8.83)	8.83	(8.73)	8.73
Total	(8.83)	8.83	(8.73)	8.73

(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 Group is mainly exposed to the price risk due to its investment in equity based mutual funds. At 31st March 2024, the investments in mutual fund (at market value) amounts to Rs. 824.62 Lakhs (31st March, 2023 : Rs. 685.98 Lakhs). These are exposed to price risk.

The Group 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 31 March 2024		As at 31 March 2023	
	3% increase	3% decrease	3% increase	3% decrease
Investment in Mutual Funds	24.74	(24.74)	20.58	(20.58)
Total	24.74	(24.74)	20.58	(20.58)

(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 Group. The Group is exposed to currency risk on account of its trade payables in foreign currency. The functional currency of the Group is Indian Rupees. The Group follows a natural hedge driven currency risk mitigation policy to the extent possible.

Exposure to Currency risk

The summary quantitative data about the Group's exposure to currency risk are reported to management of the Group are as follows:

Particulars	in foreign currency		
	Foreign Currency	As at 31 March 2024	As at 31 March 2023
Financial Assets			
Trade receivables	USD	1,43,357	1,01,305
Financial Liabilities			
Trade payables	USD	4,40,148	4,22,720

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 31 March 2024		As at 31 March 2023	
	5% increase	5% Decrease	5% increase	5% Decrease
USD	(12.37)	12.37	(13.20)	13.20
Total	(12.37)	12.37	(13.20)	13.20

(b) Credit Risk

Credit Risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

The carrying amount of Financial Assets represents the maximum credit exposure.

Trade Receivables

The Group 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 Group'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 Group 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 Group grants credit terms in the normal course of business. The Group 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 Group 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 Group uses lifetime Expected Credit Loss (ECL) model for assessing the impairment loss. For this purpose, the Group 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 31 March 2024	As at 31 March 2023
Opening balance of expected loss provision	10.14	8.87
Add : Provisions made / (reversed)	43.06	1.27
Less : Utilisation for impairment / de-recognition / write-off	(23.11)	-
Closing balance	30.10	10.14

Also refer note no. 40 for ageing of receivables

Other Financial Assets

The Group 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 31st March, 2024 and 31st March 2023 is the carrying value of each class of financial assets.

(c) Liquidity Risk

Liquidity Risk is the risk that the Group will face in meeting its obligation associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group'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 Group'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 Group's Financial Liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet Date

Particulars	As at 31 March 2024		As at 31 March 2023	
	Less than 12 months	More than 12 months	Less than 12 months	More than 12 months
Long Term Borrowings	32.55	4.72	77.35	37.27
Working Capital Loans from Banks	1,183.92	-	1,165.38	-
Trade Payables	625.66	-	631.65	-
Lease liabilities	53.97	9.29	51.40	63.26
Other Financial Liabilities	19.24	1.75	15.29	1.75
Total	1,915.34	15.76	1,941.07	102.28

38 Retirement Benefits

(A) Defined benefit plan - Gratuity

The Group 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 Group, 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 Group’s financial statements as at March 31, 2024 and March 31, 2023.

(B) Details of defined benefit obligation and plan assets

(a) Retiring Gratuity

Sr. No.	Particulars	31st March 2024	31st March 2023
I	Components of Employer Expenses		
	Current Service Cost	6.39	5.87
	Interest Cost	(0.15)	1.70
	Actuarial (Gain)/Loss	(5.17)	(2.39)
	Total Expenses/(Gain) recognized in the Profit & Loss Account	1.07	5.18
II	Net Asset/ (Liability) recognized in Balance Sheet		
	Present value of Funded Obligation	36.86	36.94
	Fair Value of Plan Assets	28.85	30.00
	Assets/(Liability) recognized in the Balance Sheet	8.01	6.94

		As at 31 March 2024	As at 31 March 2023
III	Change in Defined Benefit Obligations (DBO)		
	Opening Balance of Present Value of Obligation	6.94	31.76
	Current Service Cost	6.39	5.87
	Interest Cost	(0.15)	1.70
	Actuarial (Gain)/Loss	(5.17)	(2.39)
	Contribution Paid		(30.00)
	Closing Balance of Present Value of Obligation	8.01	6.94
IV	Changes in the Fair Value of Plan Assets		
	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
	Benefit Paid	-	-
	Fair Value of Plan Assets as at 31st March	-	30.00

		31st March 2024	31st March 2023
		IALM (2012-14) Ult	IALM (2012-14) Ult
V	Mortality		
	Actuarial Assumption		
	Discount Rate (Per Annum)	6.97%	7.19%
	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	As at 31 March 2024	As at 31 March 2023
	Government of India Securities	0%	0%
	High Quality Corporate Bonds	0%	0%
	Equity Shares of listed companies	0%	0%
	Gratuity Fund (LIC)	100%	100%
	Insurance Company	0%	0%

	Particulars	As at 31 March 2024	As at 31 March 2023
VII	Movement in net liability recognized in Balance Sheet		
	Net Opening Liability	6.94	31.76
	Contribution paid	-	(30.00)
	Other Comprehensive income	(5.17)	(2.39)
	P & L Charges / (Income)	6.24	7.57
	Closing Net Liability	8.01	6.94

	Particulars	As at 31 March 2024 Increase	As at 31 March 2023 Decrease	As at 31 March 2024 Increase	As at 31 March 2023 Decrease
VIII	Gratuity Liability - Sensitivity Analysis				
	Salary Growth Rate (1% movement)	38.28	35.61	38.45	35.61
	Discount Rate (1% movement)	35.62	38.29	35.62	38.46

(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 - Rs. 8.57 Lakhs (Previous year Rs. 8.18 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
Mr. Gopalakrishnan Mani (Appointed by the company w.e.f 10th November, 2023)

ii. Independent Directors :

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

iii. **Company Secretary:**

Mr. Swapnil Soni (Resigned from the company w.e.f 13th March, 2023)

Ms. Priyal Ruparelia (Appointed by the company w.e.f 16th May, 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
	31st March 2024	31st March 2023	31st March 2024	31st March 2023	31st March 2024	31st March 2023
TRANSACTIONS						
PURCHASES						
Purchase of Services						
S. K. Ultratech Machines Private Limited	-	-	6.96	0.18	6.96	0.18
Purchase of Goods						
Cricketnco Apparels Private Limited	-	-	16.99	63.81	16.99	63.81
S. K. Ultratech Machines Private Limited	-	-	2.07	-	2.07	-
Total	-	-	29.49	63.99	29.49	63.99
SALES						
Cricketnco Apparels Private Limited	-	-	3.01	-	3.01	-
Total	-	-	3.01	-	3.01	-
REMUNERATION*						
Shailesh Shah	60.00	60.00	-	-	60.00	60.00
Sharad Shah	36.00	36.00	-	-	36.00	36.00
Vaibhav Desai	17.43	17.19	-	-	17.43	17.19
Maikal Raorani	29.10	29.18	-	-	29.10	29.18
M. Gopalakrishnan	7.72	-	-	-	7.72	-
REMUNERATION TO COMPANY SECRETARY*						
Swapnil Soni	-	6.78	-	-	-	6.78
Priyal Ruparelia	6.11	-	-	-	6.11	-
Total	149.37	149.14	-	-	149.37	149.14
SITTING FEES						
Amarendra Mohapatra	0.50	0.60	-	-	0.50	0.60
Sanghamitra Sarangi	0.50	0.60	-	-	0.50	0.60
Lokanath Mishara	0.50	0.60	-	-	0.50	0.60
Nitin Arvind Oza	0.50	0.20	-	-	0.50	0.20
Total	2.00	2.00	-	-	2.00	2.00

Particulars	Key Managerial Personnel / persons exercising significant influence & their relatives		Enterprise in which Key Managerial Personnel and their relatives have significant Influence		Total	Total
	31st March 2024	31st March 2023	31st March 2024	31st March 2023	31st March 2024	31st March 2023
SALARY						
Saloni Shah	18.09	18.13	-	-	18.09	18.13
Total	18.09	18.13	-	-	18.09	18.13
NO OF SHARES ALLOTTED						
Shailesh Shah	-	108.00	-	-	-	108.00
Sharad Shah	-	45.00	-	-	-	45.00
Saloni Shah	-	70.50	-	-	-	70.50
Vaibhav Desai (Nos)	0.40	-	-	-	0.40	-
Maikal Raorani (Nos)	0.48	-	-	-	0.48	-
Total	0.88	223.50	-	-	0.88	223.50

Particulars	Key Managerial Personnel / persons exercising significant influence & their relatives		Enterprise in which Key Managerial Personnel and their relatives have significant Influence		Total	Total
	31st March 2024	31st March 2023	31st March 2024	31st March 2023	31st March 2024	31st March 2023
OUTSTANDING BALANCES						
TRADE PAYABLES						
S. K. Ultratech Machines Private Limited	-	-	4.64	(0.52)	4.64	(0.52)
TRADE RECEIVABLE						
Cricketnco Apparels Private Limited	-	-	(76.53)	(43.90)	(76.53)	(43.90)
Total	-	-	(71.89)	(44.42)	(71.89)	(44.42)
REMUNERATION PAYABLE						
Shailesh Shah	7.00	5.00	-	-	7.00	5.00
Sharad Shah	4.50	2.15	-	-	4.50	2.15
Vaibhav Desai	1.32	1.35	-	-	1.32	1.35
Maikal Raorani	2.21	1.68	-	-	2.21	1.68
Swapnil Soni	-	0.43	-	-	-	0.43
M. Gopalakrishnan	1.39	-	-	-	1.39	-
Priyal Ruparelia	1.18	-	-	-	1.18	-
Total	17.60	10.61	-	-	17.60	10.61
SALARY PAYABLE						
Saloni Dedhia	1.80	0.38	-	-	1.80	0.38
Total	1.80	0.38	-	-	1.80	0.38

Notes:

- Related Parties has been identified by the management and relied upon by the auditors.
- Related party transactions reported are excluding GST which the company is eligible for credit. However, outstanding balances reported at the year end is inclusive of GST component wherever applicable
- Amounts reported are excluding reimbursement of expenses to Key Management Personnel (KMP)
- * 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.

40 Ageing for Trade Receivables outstanding as at March 31, 2024 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	561.75	519.30	8.05	2.55	0.88	28.55	1,121.07
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	-	-	-	-	-	-	-
	561.75	519.30	8.05	2.55	0.88	28.55	1,121.07
“Less: Allowance for doubtful trade receivables”							(30.10)
TOTAL							1,090.97

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

41 Ageing for trade payables outstanding as at March 31, 2024 is as follows:

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues - MSME	22.42	0.68	0.38	-	23.47
Total outstanding dues - other than MSME	506.30	2.80	15.26	77.82	602.19
Disputed dues - MSME	-	-	-	-	-
Disputed dues - other than MSME	-	-	-	-	-
TOTAL	528.72	3.48	15.63	77.82	625.66

Ageing for trade payables outstanding as at March 31, 2023 is as follows:

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues - MSME	37.49		0.14		37.63
Total outstanding dues - other than MSME	495.50	1.52	30.55	66.46	594.02
Disputed dues - MSME					-
Disputed dues - other than MSME	-	-	-	-	-
TOTAL	532.99	1.52	30.69	66.46	631.65

42 Components of Tax expense / (credit)

Particulars	As at 31 March 2024	As at 31 March 2023
I. Tax expense recognised in Statement of Profit & Loss		
Current tax		
Tax expense for the year	143.67	58.55
Adjustments/ (Credit) related to previous years - (net)	(0.84)	1.35
Total current tax expense	142.83	59.90
Deferred taxes		
Change in deferred tax assets	(8.33)	2.84
Change in deferred tax liabilities	7.54	(5.27)
Net deferred tax expense / (credit)	(0.79)	(2.44)
Total tax expense / (credit)	142.04	57.46
II. Tax on other comprehensive income		
Items that will not be reclassified to Profit and Loss		
Remeasurement of the Defined Benefit Plans	1.30	0.60

(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	As at 31 March 2024	As at 31 March 2023
Profit before tax	554.73	233.67
Applicable tax rate	25.17%	25.17%
Tax using the Group's domestic tax rate	139.61	58.81
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	2.65	4.01
Effect of Income that is exempt from tax	(10.98)	(0.23)
Effect of Expenses that are allowed at lower rate	(6.08)	(6.86)
Effect of lower rate of respective subsidiary	0.89	
Effect of Consolidation adjustments	11.28	-
Effect for allowances for Income Tax purpose	4.20	-
Total	141.58	55.72

43 Incorporation of Skytech Textiles Private Limited

“On 12th June, 2023, the Parent Company incorporated a wholly owned subsidiary named Skytech Textiles Private Limited for manufacturing of Manufacturing of Neoprene Fabric.
During the year, the Parent Company had invested Rs. 99,980 in equity share capital of the Subsidiary.”

44 Loans given, Investments made and Corporate Guarantees given u/s 186(4) of the Companies Act, 2013 are disclosed under the respective notes.

45 Disclosure of additional information pertaining to the Parent Company and Subsidiaries as required under Schedule III to the Companies Act, 2013 is given as Annexure A

46 Additional regulatory information:

- (i) Balances of Trade Receivables, Trade Payables, Advances and Deposits received / given, from / to customers are subject to confirmation and subsequent reconciliation.
- (ii) The Parent and subsidiary do not have any benami property held in its name. No proceedings have been initiated on or are pending against the Parent and subsidiary for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- (iii) The Parent and Subsidiary have not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.
- (iv) The Parent and Subsidiary have complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.
- (v) There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.
- (vi) The Group has not traded or invested in crypto currency or virtual currency during the year.
- (vii) The Parent and Indian Subsidiaries do not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies beyond the statutory period
- (viii) The Comapny do not have any transactions with companies struck off.

47 Previous year's figures have been reclassified/regrouped, wherever applicable to confirm to current year's classification.

CORPORATE INFORMATION	1
MATERIAL ACCOUNTING POLICIES	2
NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS	3 to 47

As per our report attached of even date
For **CGCA & Associates LLP**
Chartered Accountants
Firm Reg. No. :123393W / W100755

Champak K Dedhia

Partner
Membership No.101769
Mumbai, Dated: 21st May, 2024
UDIN: 24101769BKAJPD2893

For and on behalf of the Board of Directors
Sky Industries Limited
CIN: L17120MH1989PLC052645

Shailesh Shah
Managing Director
DIN: 00006154

Maikal Roarani
Whole Time Director & CFO
DIN: 00037831

Sharad Shah
Whole Time Director
DIN: 00006114

Priyal Ruparelia
Company Secretary
ICSI M. No.: A71040

ANNEXURE - A

Name of the Company	Net Assets i.e. total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Net Profit	Amount	As % of Consolidated Net Profit	Amount	As % of Consolidated Comprehensive Income	Amount
Parent								
Sky Industries Limited								
As at 31st March 2024	101.40%	4,031.28	112.92%	467.49	100.00%	3.87	112.80%	471.36
As at 31st March 2023	100.00%	3,634.05	100.00%	176.82	100.00%	1.79	100.00%	178.61
Subsidiary								
Skytech Textiles Private Limited								
As at 31st March 2024	-0.27%	(10.75)	-2.28%	(9.44)	-	-	-2.26%	(9.44)
As at 31st March 2023	NA	NA	NA	NA	NA	NA	NA	NA
Non controlling interest In Subsidiary								
As at 31st March 2024	0.00%	0.00	0.00%	-0.00	-	-	0.00%	(0.00)
As at 31st March 2023	NA	NA	NA	NA	NA	NA	NA	NA
Adjustment Arising Out Of Consolidation								
As at 31st March 2024	-1.13%	(45.05)	-1.11%	(44.06)	-	-	-1.11%	(44.06)
As at 31st March 2023	NA	NA	NA	NA	NA	NA	NA	NA
Consolidated Net Assets / Profit & Loss								
As at 31st March 2024	100%	3,975.48	100%	413.99	100%	3.87	100%	417.86
As at 31st March 2023	100%	3,634.05	100%	176.82	100%	1.79	100%	178.61



REGISTERED OFFICE:

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



CORPORATE OFFICE:

1101 Universal Majestic, Behind RBK International School,
Chembur - West , Mumbai - 400043, Maharashtra, India
Tel No: 022-67137900 Email: corporate@skycorp.in
Website: www.skycorp.in



**REGISTRAR & TRANSFER AGENT:
Link Intime India Private Limited**

C 101, 247 Park, LBS Marg, Vikhroli - West, Mumbai - 400083
Tel No: +91 22 4918600 Fax: +91 22 49186060
E-mail: rnt.helpdesk@linkintime.co.in