

ONE PRODUCT INFINITE SOLUTIONS

Annual Report 2024-25



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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

CORPORATE SNAPSHOT

Sky Industries Limited is a pioneering manufacturer and exporter of hook and loop tape fasteners, committed to delivering engineered fastening solutions that power performance across diverse industries. With more than three decades of experience, Sky has consistently partnered with businesses to enhance their products and operations through innovation, reliability, and customization.

Driven by a problem-solving approach and strong material expertise, Sky offers a comprehensive portfolio including Hook and Loop Tapes and its variants as well as self-adhesive hook and loop tapes webbings, neoprene, velvet, and functional elastics. These are used across diverse sectors such as orthopaedics, automotive, footwear, garments, packaging, sportswear, home furnishings, aviation and defence. Our products are trusted by industry leaders across global markets including the USA, Canada, UK, Germany, Italy, Sri Lanka and many more.

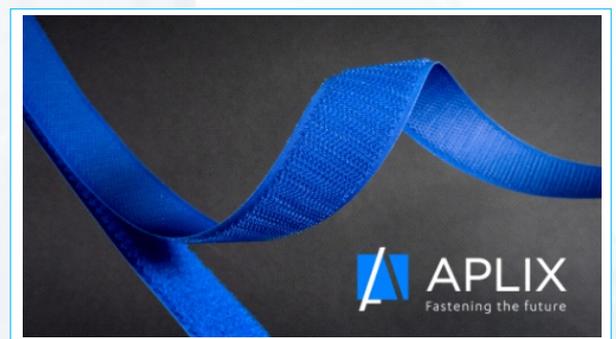
A commitment to quality, client-centric innovation, and ethical practices is at the heart of Sky's business philosophy. Our manufacturing excellence and agile service model empower us to meet evolving customer needs while ensuring timely delivery and consistent performance.

With our strategic expansion into specialized fabric solutions through our subsidiary, **Skytech Textiles Private Limited**, we are strengthening our foothold in high-performance applications. From equestrian gear and swimwear to medical and orthopaedic aids, Skytech brings advanced neoprene-based materials to global markets.

As industries increasingly seek sustainable, high-performance materials, Sky remains a trusted partner in driving transformation through tailored, future-ready solutions. Our ongoing investment in R&D and cutting-edge manufacturing ensures that we remain aligned with the evolving expectations of customers and markets alike.

STRATEGIC PARTERSHIP WITH APLIX INC.

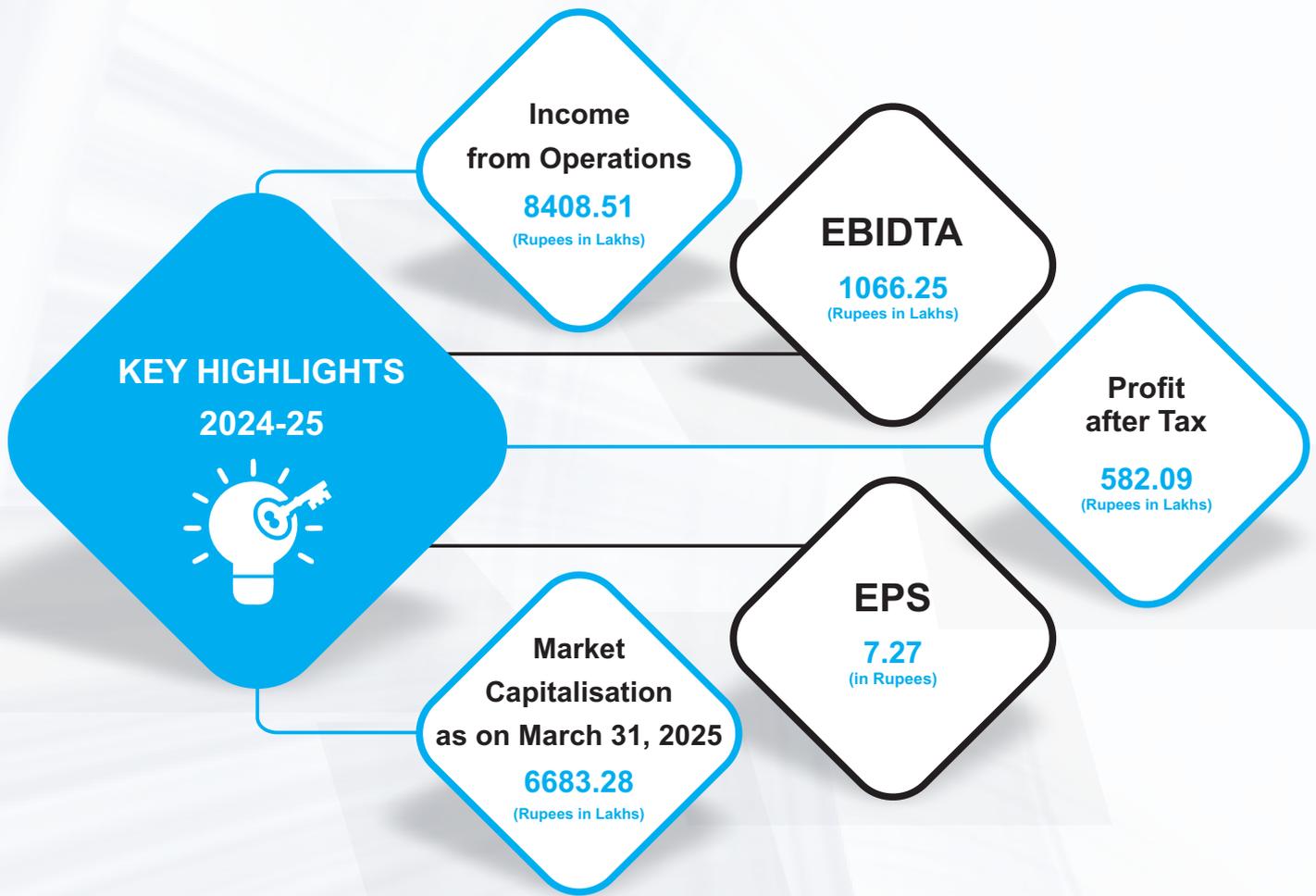
We are honored to represent **Aplix Inc.** as their official marketing partner in India. With a legacy of over 50 years, Aplix is a global pioneer in the design and manufacture of innovative fastening systems, known for their precision, durability, and sustainability. Their solutions serve critical sectors such as **automotive, aerospace, hygiene and packaging**, aligning perfectly with our mission to deliver high-performance, value-driven technologies to the Indian market.



For more information, please visit www.aplix.com.

This strategic alliance not only enhances our product portfolio but also strengthens our ability to offer advanced, customer-centric solutions tailored to the needs of modern manufacturing and consume applications.

CHARTING OUR PROGRESS FOR THE YEAR



36+
Years of
Experience

38+
Industry
Outreach

800+
Customers
Across the Country

27+
Exported
to Countries





STANDARD
100



CERTIFICATIONS



Employees



Investors



STAKEHOLDER GROUP



Suppliers



Buyers



Regulators



Community

PRODUCTION FACILITY



**Approx.
45,000 sq.ft**

Manufacturing Unit I:

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



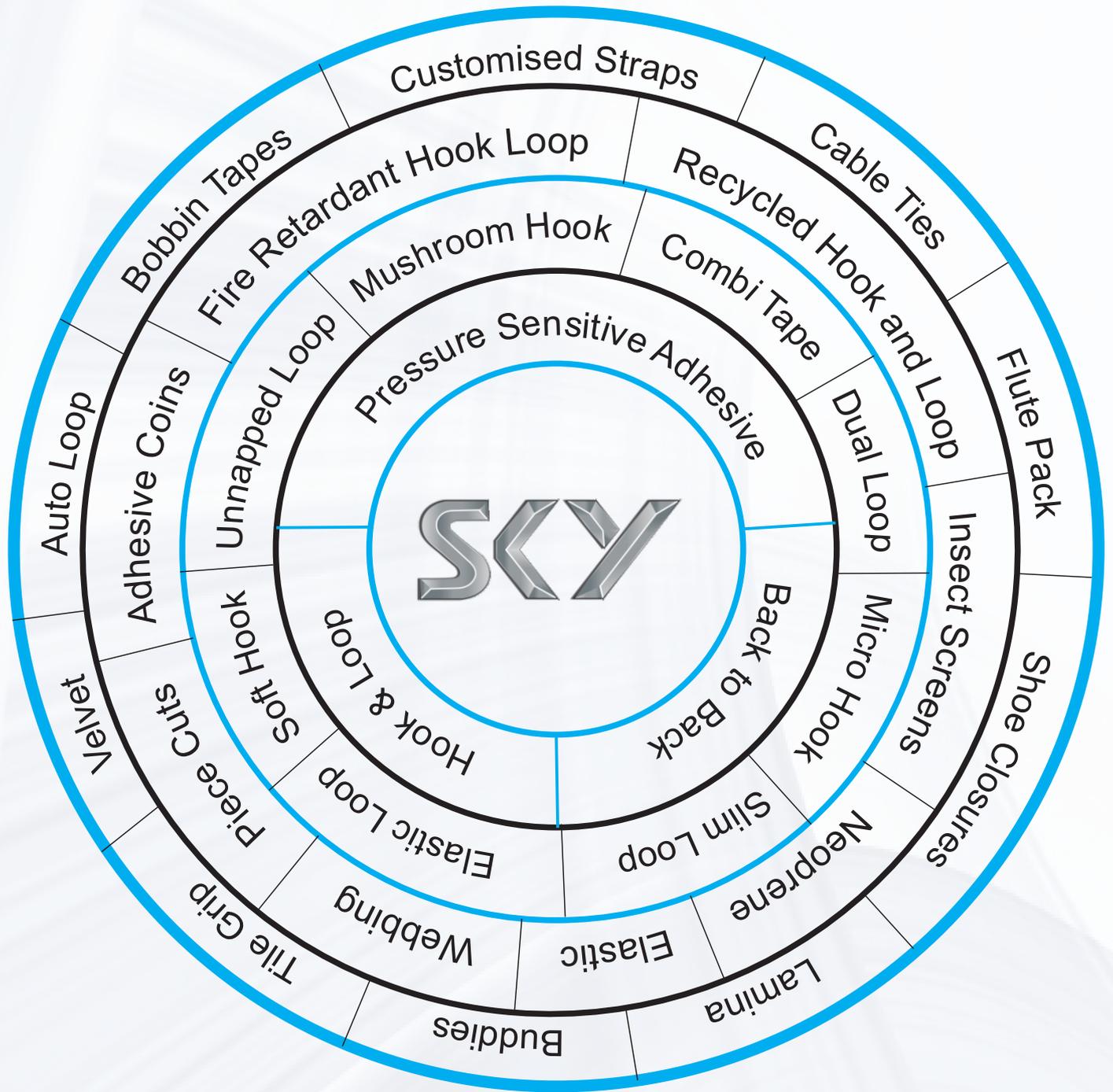
**Approx.
40,000 sq.ft**

Manufacturing Unit II:

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



EXPLORE OUR RANGE OF PRODUCTS



ONE PRODUCT INFINITE INDUSTRIES



EXPANDING ACROSS BORDERS



EUROPE

-  Germany
-  UK
-  Italy
-  Czech Republic
-  Bulgaria
-  Portugal
-  Finland
-  Poland
-  Belgium
-  France
-  Netherlands
-  Sweden

NORTH AMERICA

-  USA
-  Canada

SOUTH AMERICA

-  Columbia

OCEANIA

-  Australia
-  New Zealand

ASIA

-  Bangladesh
-  Sri Lanka
-  Nepal
-  Saudi Arabia
-  Cambodia
-  Thailand
-  Turkey

AFRICA

-  South Africa



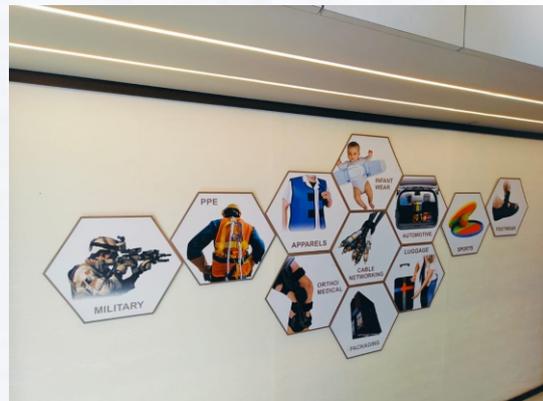
SKY PDC: Innovation on Display

Sky PDC (Product Display Centre) is specially conceptualized for all our customers who can now visit us to not only explore the variety and quality of our products, but also the unique creativity that drives us to deliver exceptional value to YOU.



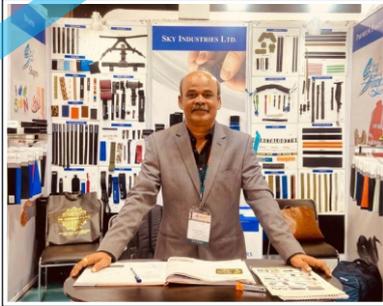
Why visit?

Discover our products:	Explore diverse fastening solutions tailored to your needs.
See our capabilities:	We understand your requirements through innovative designs and creative engineering.
Retails solutions:	We cater to your retail needs with customized solutions and expert advice.



 Shop No.01, Shreenathji Building, Ground Floor,
Yusuf Meherally Rd., Mumbai - 400 003
www.skycorp.in

Expanding Horizons Through Industry Events



Textile Fair India
July, 2024



12th India International Sports India Show
August, 2024



ATA Advanced Textiles Expo
September, 2024



Shoetech Kanpur
October, 2024



Textile Fair India
January, 2025



International Leather Fair (IILF)
February, 2025



Bharat TEX
February, 2025



Indian Footwear Components Manufacturers Association (IFCOMA)
April, 2025



Doors Windows And Facades Expo (DWFE)
April, 2025



Techtextil North America
May, 2025

PERFORMANCE OVERVIEW

(Rs. in lakhs)

Particulars	FY 2022-23	FY 2023-24	FY 2024-25
Income from operations	7492.09	8166.02	8408.51
Profit from operations before exceptional item & tax	233.67	595.69	780.75
Profit/ (Loss) before tax	233.67	595.69	780.75
Net Profit/ (Loss) after tax	176.82	454.95	582.09
Paid up equity share capital (Face Value of Rs 10/- each)	785.98	789.05	789.05
Earnings per equity share (in Rs)	2.27	5.77	7.27

Income from Operations

(Rupee in Lakhs)



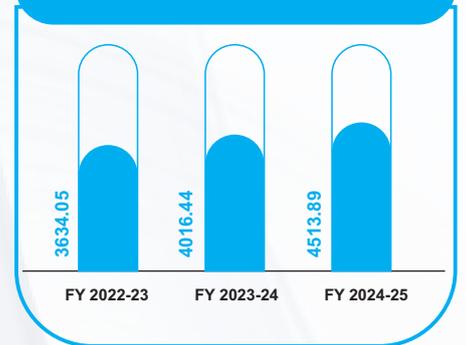
Net Profit

(Rupee in Lakhs)



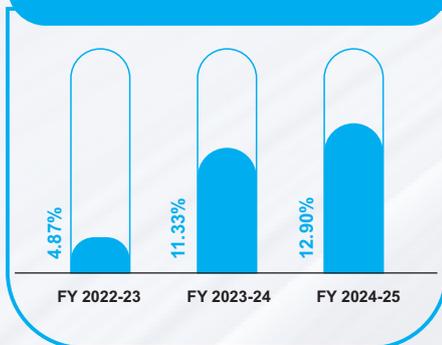
Net Worth

(Rupee in Lakhs)



Return On Net Worth

(Rupee in Lakhs)

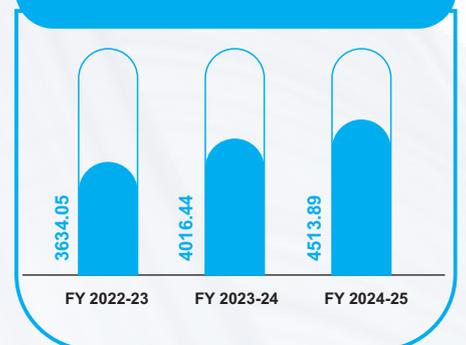


EPS



EBIDTA

(Rupee in Lakhs)





Beyond Work: Building Culture Through Play and Participation





BOARD OF DIRECTORS



Mr. Shailesh S. Shah
Managing Director



Mr. Sharad Shah
Whole Time Director



Mr. Maikal Raorani
Whole Time Director & CFO



Mr. Gopalakrishnan Mani
Whole Time Director



Mr. Amarendra Mohapatra
Non - Executive Independent Director



Mr. Nitin Oza
Non - Executive Independent Director



Mrs. Sanghamitra Sarangi
Non-Executive Independent Director



Mr. Lokanath Mishra
Non-Executive Independent Director

CORPORATE LEADERSHIP TEAM



Mr. Balaji R. Iyengar
General Manager - Sales



Mr. Chandrashekhar
Senior Manager - Operations



Mr. P. Swamidass
GM - Accounts & Taxation



Mr. George Punnoose
GM - 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



FROM THE MANAGING DIRECTOR'S DESK

*“Beyond boundaries and through every challenge,
We rise by staying true to our values and vision.”*

Dear Stakeholders,

As I pen down this letter, I reflect with pride and gratitude on the remarkable journey we've shared at **Sky Industries Limited**—a journey defined by perseverance, innovation, and a steadfast commitment to excellence in the **hook and loop fastening industry**. Amid a rapidly evolving global landscape and unprecedented challenges, your company has remained resilient, embracing change with optimism and staying rooted in our core values and long-term vision.

It is my honour to welcome you to the **36th Annual General Meeting** of Sky Industries Limited and to present the Annual Report for the year. With over three decades of legacy, SKY continues to stand as a symbol of quality, innovation, and trust in the industry.

The Financial Year **2024–2025** marked another pivotal chapter in our growth story. Building on the momentum of our 35th anniversary celebrations last year, we entered this fiscal year with renewed energy, guided by a clear focus on sustainability, operational excellence, and value creation. I'm pleased to report that SKY has delivered a solid performance, demonstrating strong financial health, strategic agility, and continued expansion.

Some of our key milestones this year include:

- **Achieving the Global Recycled Standard (GRS) Certification**, reinforcing our commitment to sustainable and environmentally responsible manufacturing practices.
- **Inaugurating our first-ever Public Display Centre in Mumbai**, providing a dedicated space to showcase our diverse product range and engage directly with stakeholders.
- **Acquiring land in Gujarat for the setup of a new manufacturing facility**, a major step toward expanding our production capacity and meeting future demand. The commercial execution of this project is currently underway.

Our financial results reflect steady revenue growth, improved **EBITDA**, and enhanced **net profit margins** direct outcome of our focused execution, operational discipline, and customer-centric strategies.

Behind these achievements is a dedicated and skilled cross-functional leadership team with deep domain expertise in Production, Sales & Marketing, Finance, R&D, Legal, Exports, & Quality Control. Together, we are committed to driving innovation, operational efficiency, and market expansion—both within India and in global markets.

As the **textile industry** continues to evolve through technological innovations, such as **smart textiles, sustainable materials**, and innovative and customised offerings, SKY is actively pursuing in **research and development** to stay ahead of the curve. Our goal is to develop fastening solutions that not only meet the needs of today's industries but also set new benchmarks for tomorrow—solutions that are functional, reliable, and environmentally responsible.

Looking forward, we are confident in our ability to seize new opportunities, deepen stakeholder relationships, and contribute meaningfully to the communities we serve. With a shared vision and collective strength, I am optimistic about the path ahead.

In closing, I express my heartfelt appreciation to all our employees, customers, partners, and shareholders for your unwavering support and trust. You are the driving force behind our continued success.

Together, let's continue to soar to new heights!

Warm Regards,

Shailesh S Shah
Managing Director

CORPORATE INFORMATION

BOARD OF DIRECTORS**Managing Director**

Mr. Shailesh S Shah

Whole Time Directors

Mr. Maikal Raorani
Mr. Sharad Shah
Mr. Gopalakrishnan Mani

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

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

MUFG 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

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 36TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the Thirty Sixth (36th) Annual General Meeting (“AGM”) of the members of Sky Industries Limited (“the Company”) will be held on Friday, July 04, 2025 at 11:00 A.M. IST through video conferencing (“VC”) / Other Audio-Visual Means (“OAVM”) facility, to transact the following business:

ORDINARY BUSINESS

1. Adoption of Financial Statements and Reports thereon:

To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2025 together with the Reports of the Board of Directors and the Auditors thereon.

2. Declaration of Dividend:

To declare a final dividend @10% i.e. Re.1/- per Equity Share of Rs. 10/- each for the Financial Year ended March 31, 2025.

3. Appointment of a Director in place of one retiring by rotation:

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

4. Appointment of a Director in place of one retiring by rotation:

To appoint a director in place of Mr. Gopalakrishnan Mani (DIN:10324513), who is liable to retire by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

5. Re-appointment of Mr. Lokanath S Mishra (DIN:03364948), as an Independent Director:

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152, and other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the “**Act**”), 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 (“**SEBI Listing**

Regulations”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and pursuant to the recommendation of the Nomination and Remuneration Committee and Board of Directors respectively, Mr. Lokanath S Mishra (DIN:03364948), who was appointed as an Independent Director of the Company w.e.f. July 08, 2020 at the Annual General Meeting held on August 28, 2020, for a term of five years and who holds office of the Independent Director up to July 07, 2025 and meets the criteria prescribed for independence under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and is eligible to be reappointed as an Independent Director of the Company and in respect of whom the Company has received a notice in writing under Section 160(1) of the Companies Act, 2013 from a member proposing him as a candidature for the office of Non- Executive Independent Director, be and is hereby re-appointed as a Non- Executive Independent Director for a second consecutive term of three years with effect from July 08, 2025 to July 07, 2028 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.”

6. Re-appointment of Mr. Shailesh S Shah (DIN:00006154) as Managing Director:

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

“**RESOLVED THAT** pursuant to the provisions of Sections 2(54), 196, 197, 198 and 203 read together with Schedule V and the Rules framed thereunder and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (hereinafter referred to as the “**Act**”) and in accordance with the provisions of regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”), including any statutory modification(s) or amendment(s) thereof for the time being in force, and on the basis of recommendation of the Nomination and Remuneration Committee and approval of Board of Directors of the Company, the consent of the Members of the Company be and is hereby accorded for reappointment of Mr. Shailesh S Shah (DIN:00006154) as Managing Director of the Company for a period of 3 (Three) years effective from October 01, 2025 to September 30, 2028, on such terms and conditions and on remuneration

as set out in the explanatory statement annexed to this Notice with further liberty to the Board of Directors of the company to alter and vary the said terms and conditions on recommendations of the Nomination and Remuneration Committee, without further reference to the members of the company, in such a manner as may be agreed to between the Board of Directors and Mr. Shailesh S Shah subject to the provisions of Schedule V of the Act.

RESOLVED FURTHER THAT the terms and conditions of remuneration as set out in the explanatory statement annexed hereto which shall be deemed to form part hereof and the remuneration payable to Mr. Shailesh S Shah may exceed the limits prescribed under the provisions of section 197 of the Act and in the event of inadequacy or absence of profits in any financial year or years, the remuneration comprising salary, perquisites and other benefits and emoluments approved herein be continued to be paid as minimum remuneration in accordance with Section II of Part II of Schedule V to the Companies Act, 2013, to Mr. Shailesh S Shah for a period not exceeding three years from October 01, 2025 to September 30, 2028 or if part II of the Schedule V of the Companies Act are not met then the Company hereby approves the remuneration as decided above;

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

7. Re-appointment of Mr. Maikal Raorani (DIN:00037831) as a Whole Time Director & CFO:

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

“**RESOLVED THAT** pursuant to the provisions of Sections 2(94), 196, 197, 198 and 203 read together with Schedule V and the Rules framed thereunder and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (hereinafter referred to as the “Act”) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”), including any statutory modification(s) or amendment(s) thereof for the time being in force, and on the basis of recommendation of the Nomination and Remuneration Committee and approval of Board of Directors of the Company, the consent of the Members of the Company be and is hereby accorded for reappointment of Mr. Maikal Raorani (DIN:00037831) as a Whole Time Director & CFO of the Company for a period of 3 (Three) years effective from October 01, 2025 to September 30, 2028, on such terms and conditions and on remuneration as set out in the explanatory statement annexed to this Notice with further liberty to the Board of Directors of the company to alter and vary the said terms and conditions on recommendations of the Nomination and Remuneration Committee, without further reference to the

members of the company, in such a manner as may be agreed to between the Board of Directors and Mr. Maikal Raorani; subject to the provisions of Schedule V of the Act.

RESOLVED FURTHER THAT the terms and conditions of remuneration as set out in the explanatory statement annexed hereto which shall be deemed to form part hereof and the remuneration payable to Mr. Maikal Raorani may exceed the limits prescribed under the provisions of section 197 of the Act (and in the event of inadequacy or absence of profits in any financial year or years, the remuneration comprising salary, perquisites and other benefits and emoluments approved herein be continued to be paid as minimum remuneration in accordance with Section II of Part II of Schedule V to the Companies Act, 2013, to Mr. Maikal Raorani for a period not exceeding three years from October 01, 2025 to September 30, 2028 or if part II of the Schedule V of the Companies Act are not met then the Company hereby approves the remuneration as decided above.

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.”

8. Re-appointment of Mr. Sharad Shah (DIN:00006114) as a Whole Time Director:

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

“**RESOLVED THAT** pursuant to the provisions of Sections 2(94), 196, 197, 198 and 203 read together with Schedule V and the Rules framed thereunder and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (hereinafter referred to as the “Act”) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”), including any statutory modification(s) or amendment(s) thereof for the time being in force, and on the basis of recommendation of the Nomination and Remuneration Committee and approval of Board of Directors of the Company, the consent of the Members of the Company be and is hereby accorded for reappointment of Mr. Sharad Shah (DIN:00006114) as a Whole Time Director of the Company for a period of 3 (Three) years effective from October 01, 2025 to September 30, 2028, on such terms and conditions and on remuneration as set out in the explanatory statement annexed to this Notice with further liberty to the Board of Directors of the company to alter and vary the said terms and conditions on recommendations of the Nomination and Remuneration Committee, without further reference to the members of the company, in such a manner as may be agreed to between the Board of Directors and Mr. Sharad Shah; subject to the provisions of Schedule V of the Act.

RESOLVED FURTHER THAT the terms and conditions of remuneration as set out in the explanatory statement

annexed hereto which shall be deemed to form part hereof and the remuneration payable to Mr. Sharad Shah may exceed the limits prescribed under the provisions of section 197 of the Act and in the event of inadequacy or absence of profits in any financial year or years, the remuneration comprising salary, perquisites and other benefits and emoluments approved herein be continued to be paid as minimum remuneration in accordance with Section II of Part II of Schedule V to the Companies Act, 2013, to Mr. Sharad Shah for a period not exceeding three years from October 01, 2025 to September 30, 2028 or if part II of the Schedule V of the Companies Act are not met then the Company hereby approves the remuneration as decided above.

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.”

9. Approval for increase in the borrowing powers under Section 180(1)(a) and (c) of the Companies Act, 2013:

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

“**RESOLVED THAT** in supersession of all earlier resolutions passed by the members of the Company, and pursuant to the provisions of Section 180(1)(c) read with rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), applicable regulations framed by Securities Exchange Board of India, applicable provisions of Foreign Exchange Management Act, 1999 read with rules or regulations framed thereunder, enabling provisions of the Memorandum and Articles of Association of the Company and such other applicable laws and regulations and subject to the permissions, approvals, consents and sanctions as may be necessary to be obtained from appropriate authorities, to the extent applicable consent of the Members be and is hereby accorded to empower Board of Directors (hereinafter referred to as ‘the Board’ which term shall be deemed to include, unless the context otherwise requires, any Committee, which the Board may have constituted or hereinafter constitute or any officer(s) authorised by the Board or Committee to exercise the powers conferred on the Board by this Resolution) to borrow any sum of money, from time to time, whether in Indian or foreign currency, in any manner including but not limited to, fund based or non-fund based assistance, term loan, guarantees, working capital facilities, overdraft facilities, lines of credit, inter corporate deposits, credit facilities, external commercial borrowings or any other form of financial assistance, from any person including but not limited to any company, individual, body corporate, banks, related parties, financial institutions or any other person, whether Indian or foreign, in any form including but not limited to by way of draw-down or issue of securities, whether in India or outside India, upon such terms & conditions as regards to interest, repayment, tenor, security or otherwise, as the Board may determine and think fit, such that the monies to

be borrowed, together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company’s bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital, free reserves and securities premium of the Company but shall not exceed at any time a sum equivalent to INR 100 Crores (Indian Rupees One Hundred Crores Only).

RESOLVED FURTHER THAT, the consent of the Company be and is hereby accorded to the Board of Directors of the Company under the provisions of Section 180(1)(a) and other applicable provisions and rules, any amendments/ enactments/ re-enactments thereof of the Companies Act, 2013, to create mortgages / charges on all or any of the immovable and movable properties and assets, both present and future exclusively or ranking pari passu the total outstanding amount at any time so secured (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) shall not exceed by more than Rs. 100 Crores (Rupees One Hundred Crores only).

RESOLVED FURTHER THAT consent of the Members be and is hereby accorded to delegate the power to the Board (including any Committee duly constituted by the Board of Directors or any authority as approved by the Board of Directors) to use / modify / amend / reduce / enhance the existing or new borrowing facilities interchangeably among various lenders, without any restriction on borrowing from a specific lender, subject to the overall borrowing limit.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board (including any Committee duly constituted by the Board of Directors or any authority as approved by the Board of Directors) be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper, or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution.”

10. Appointment of M/s. Ramesh Chandra Mishra and Associates, a peer reviewed firm of practicing Company Secretaries, as Secretarial Auditor of the Company:

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

“**RESOLVED THAT** pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the “Act”), read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and such other applicable provisions if any, and on the recommendation of Audit Committee and Board of Directors of the company,

M/s. Ramesh Chandra Mishra and Associates, a peer reviewed firm of Practicing Company Secretaries, being eligible, be and is hereby appointed as Secretarial Auditor of the Company for a term of three (3) consecutive financial years commencing from the conclusion of the ensuing 36th Annual General Meeting till the conclusion of 39th Annual General Meeting to be held in the year 2028 (i.e. to conduct the Secretarial Audit for 3 financial year from 2025-26 to 2027-28), on such remuneration as recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the Company and Secretarial Auditors from time to time.

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

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 24, 2025 Sd/-
Place: Mumbai **Priyal Ruparelia**
Company Secretary & Compliance Officer
ICSI M.NO. A71040

NOTES:

- Pursuant to the General Circular No. 09/2024 dated September 19, 2024, issued by the Ministry of Corporate Affairs (MCA) and circular issued by SEBI vide circular no. SEBI/ HO/ CFD/ CFDPoD-2/ P/ CIR/ 2024/ 133 dated October 3, 2024 (“SEBI Circular”) and other applicable circulars and notifications issued by the MCA and SEBI (“collectively MCA and SEBI Circulars”) (including any statutory modifications or re-enactment thereof for the time being in force and as amended from time to time), companies are allowed to hold AGM through Video Conferencing (VC) or other audio visual means (OAVM), without the physical presence of members at a common venue. In compliance with the said Circulars, AGM shall be conducted through VC / OAVM. The deemed venue for the 36th AGM shall be the Registered Office of the Company i.e. C-58 TTC Industrial Area, Thane Belapur Road, Pawane, Navi Mumbai- 400 705.
- 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.
- In terms of the MCA Circulars and the relevant SEBI Circulars, the Company is sending the Notice calling the 36th AGM along with the Annual Report for the Financial Year ended March 31, 2025, 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 2024-25 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>
- The Explanatory Statement setting out material facts, pursuant to Section 102 of the Companies Act, 2013 (“the Act”) and as required under Secretarial Standard – 2 on General Meetings issued by The Institute of Company Secretaries of India and Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) in respect of Special Business under Item Nos. 5 to 10 of the accompanying Notice is annexed hereto.
- 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. Friday, July 04, 2025. Members seeking to inspect such documents can send an email to corporate@skycorp.in
- 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 fcsrsm@gmail.com with a copy marked to evoting@nsdl.co.in
- 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.
- 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 of June 06, 2025, have been considered for the purpose of sending the Notice of AGM and the Annual Report.
- 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 Friday, June 27, 2025; and

To all Members in respect of shares held in physical form after giving effect to valid transmission or transposition requests lodged with the Company as of the close of business hours on Saturday, June 28, 2025.

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. 22 herein below to MUFG Intime Private Limited (“MIPL”) (formerly known as Link Intime India Private Limited) 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 MIPL 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:

**MUFG Intime India Private Limited (“MIPL”)
(formerly known as Link Intime India Private Limited),
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. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) the Secretarial Standard on General Meetings (SS-2) issued by the ICSI and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs from time to time the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e-voting on the date of the AGM will be provided by NSDL.
14. **REMOTE E-VOTING:** The remote E-voting period will be available during the following period:
- Day, date and time of commencement of remote e-Voting: Tuesday, July 01, 2025 at 09:00 A.M. (IST)
 - Day, date and time of end of remote e-Voting: Thursday, July 03, 2025 at 5:00 P.M. (IST)
15. The Company has fixed Friday, June 27, 2025 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 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.
16. 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.

17. 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.
18. 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) and 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 and the same will also be communicated to BSE Limited. It shall also be displayed on the Notice Board at the Registered Office of the Company.
19. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the Meeting i.e. Friday, July 04, 2025.
20. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to send their queries at corporate@skycorp.in at an early date so as to enable the Management to keep the information ready at the Meeting.
21. Statement giving details of the Directors seeking appointment/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").
22. 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.

23. 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, MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited).
24. 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

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

In terms of SEBI circular dated December 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.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp . You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
	<p>2. 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 redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.</p> <p>3. 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</p> <p>4. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.</p> <p>5. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; gap: 20px;"> <div style="text-align: center;">  </div> <div style="text-align: center;">  </div> </div> <div style="display: flex; justify-content: center; gap: 20px; margin-top: 10px;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<p>1. 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 user your existing my easi username & password.</p> <p>2. 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 are 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.</p> <p>3. 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.</p> <p>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.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>1. 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.</p>

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.com 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. 1800-21-09911

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

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

1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
4. Alternatively, if you are registered for NSDL eservices i.e., IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e., Cast your vote electronically.
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 134019 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- 134019 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 fcsrsm@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

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

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

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

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members who would like to express their views or ask questions during the AGM may register themselves as 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 Saturday, June 28, 2025. 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

Date: May 24, 2025

Place: Mumbai

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

Sd/-
Priyal Ruparelia
Company Secretary & Compliance Officer
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 the AGM Notice dated May 24, 2025:

Item No.5:

The Members of the Company at their 31st Annual General Meeting held on August 28, 2020 appointed Mr. Lokanath Mishra (DIN: 03364948) as an Independent Director of the Company for a period of five years with effect from July 08, 2020, not liable to retire by rotation, whose first term expires on July 07, 2025. Further, based on the recommendation and approval of the Nomination and Remuneration Committee, the Board of Directors in their meeting held on May 24, 2025, approved the re-appointment of Mr. Lokanath Mishra as an Independent Director of the Company w.e.f. July 08, 2025, for a further period of three years not liable to retire by rotation and subject to the members' approval at ensuing Annual General Meeting.

Mr. Lokanath Mishra (DIN: 03364948) holds a Bachelor's Degree in Law and is a Commerce Graduate with over 15 years of legal experience. Mr. Mishra handles complex legal matters involving the Securities and Exchange Board of India (SEBI), the Securities Appellate Tribunal (SAT), and the Bombay Stock Exchange (BSE). Beyond litigation, Mr. Mishra offers strategic legal advice, helping clients navigate regulatory frameworks across diverse sectors. Widely respected for his in-depth knowledge of corporate governance, financial regulations, and securities law, he is recognized for delivering pragmatic legal solutions and has earned the confidence of both corporate clients and individuals. He brings independent judgment and oversight, which will enhance the transparency and accountability of Board decisions.

The Company has received necessary declarations from Mr. Lokanath Mishra (DIN: 03364948) that he 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. Mr. Lokanath Mishra has confirmed that he is neither disqualified from being appointed as a Director in terms of Section 164 of the Act nor debarred from holding office as a Director of the company, by virtue of any SEBI order or any other such authority and has given his consent to act as a Director. The Board is of the opinion that he fulfils the conditions specified in the Act and the Rules made thereunder and is independent of the management.

Details pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard-2 on General Meetings issued by The Institute of Company Secretaries of India are attached as **Annexure A**. A copy of the letter of appointment proposed to be issued to Mr. Lokanath Mishra as an Independent Director, setting out the terms and conditions thereof, is available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on all working days up to the date of the Annual General Meeting.

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

Item No.6:

At the 33rd Annual General Meeting held on June 30, 2022, the Members of the Company had approved the appointment and terms of remuneration of Mr. Shailesh S Shah (DIN: 00006154), as a Managing Director of the Company for a period of 3 years w.e.f. October 01, 2022. Mr. Shailesh S Shah will complete his present term on September 30, 2025.

Based on the recommendation of the Nomination & Remuneration Committee ('the Committee') and subject to the approval of the Members at ensuing Annual General Meeting, the Board of Directors at its meeting held on May 24, 2025 re-appointed Mr. Shailesh S Shah as the Managing Director of the Company with effect from October 01, 2025 for a period of 3 (three) years.

Further in accordance with the provisions of Section 197 read with Schedule V of the Act, in respect of the payment of managerial remuneration in case of no profits or inadequacy of profits as calculated under Section 198 of the Act, the Company may pay such remuneration over the ceiling limit as specified under Section 197 read with Schedule V, provided that the Members approval by way of a Special Resolution has been taken for payment of minimum remuneration for a period not exceeding 3 (three) years starting from October 01, 2025 to September 30, 2028.

Pursuant to Section II of Part II of Schedule V to the Act, the remuneration payable to Mr. Shailesh S. Shah has been recommended and approved, for a period of three years effective from October 01, 2025 to September 30, 2028, by the Nomination and Remuneration Committee at its Meeting held on May 24, 2025 and subsequently by the Board of Directors at its Meeting held on the even date. The approval of the Members pursuant to Section 197(1) read with schedule V of the Act, (including any statutory amendment(s) or modification(s) thereto or enactment(s) or re-enactment(s) thereof for the time being in force), is sought for the remuneration payable to Mr. Shailesh S. Shah as the Managing Director of the Company for the period from October 01, 2025 to September 30, 2028.

Mr. Shailesh S Shah aged 62 years, is a founder and promoter of the company. Further he is Post Graduate in Commerce and he oversees the marketing and operations of the company, ensuring smooth functioning since the commencement of its manufacturing activities.

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**.

The additional detailed information as per Section – II of Part II of Schedule V to the Companies Act, 2013 is attached herewith as **Annexure B**.

The business of the Company has grown substantially well under his leadership and considering the good experience and expertise, the Board of Directors at the aforesaid meeting, on the recommendation of the Committee, also recommended for the approval of the Members, the re-appointment of Mr. Shailesh S Shah as a Managing Director of the Company, as set out in the Resolution relating to his re-appointment, on the following terms & conditions: -

1. Fixed pay: Rs. 60,00,000-20,00,000-1,00,00,000 per financial year (with such component as may be agreed and decided by the Board); and
2. Other benefits of employment as per Company's rules viz. company maintained car with driver, mobile expense, reimbursement, provident fund, gratuity, personal accident insurance, medical insurance for self and dependents etc.

The Company, as on date, is not in default in payment of dues to any bank or public financial institution or to any other secured creditor, and accordingly their prior approval is not required, for approval of the proposed Special Resolution. The directors recommend the Resolution for your approval.

Except Mr. Shailesh Shah and his relatives, Mr. Sharad S. Shah and Promoters of the Company, none of the other Directors / Key Managerial Personnel's and their relatives are in any way, concerned or interested, financially or otherwise, in the resolutions set out in item No. 06 of the Notice.

The Board recommends the Special Resolution as set out at item No. 06 for the approval of the Shareholders.

Item No. 7:

At the 33rd Annual General Meeting held on June 30, 2022 the Members of the Company had approved the appointment and terms of remuneration of Mr. Maikal Raorani (DIN:00037831), as a Whole Time Director & CFO of the Company for a period of 3 years w.e.f. October 01, 2022. Mr. Maikal Raorani will complete his present term on September 30, 2025.

Based on the recommendation of the Nomination & Remuneration Committee ('the Committee') and subject to the approval of the Members at ensuing Annual General Meeting, the Board of Directors at its meeting held on May 24, 2025 re-appointed Mr. Maikal Raorani as the Whole Time Director & CFO of the Company with effect from October 01, 2025 for a period of 3 (three) years.

Further in accordance with the provisions of Section 197 read with Schedule V of the Act, in respect of the payment of managerial remuneration in case of no profits or inadequacy of profits as calculated under Section 198 of the Act, the Company may pay such remuneration over the ceiling limit as specified under Section 197 read with Schedule V, provided that the Members approval by way of a Special Resolution has been taken for payment of

minimum remuneration for a period not exceeding 3 (three) years starting from October 01, 2025 to September 30, 2028.

Pursuant to Section II of Part II of Schedule V to the Act, the remuneration payable to Mr. Maikal Raorani has been recommended and approved for a period of three years effective from October 01, 2025 to September 30, 2028 by the Nomination and Remuneration Committee at its Meeting held on May 24, 2025 and subsequently by the Board of Directors at its Meeting held on the even date. The approval of the Members pursuant to Section 197(1) read with schedule V of the Act, (including any statutory amendment(s) or modification(s) thereto or enactment(s) or re-enactment(s) thereof for the time being in force), is sought for the remuneration payable to Mr. Maikal Raorani as the Whole Time Director & CFO of the Company for the period from October 01, 2025 to September 30, 2028.

Mr. Maikal Raorani has gained extensive expertise in various areas such as production, marketing, finance, commercial operations, and legal matters. His broad experience has been instrumental in positioning the Company as a leading player in the Technical Textiles industry in the country. His strong capabilities in financial management and legal affairs have enabled the Company to successfully handle complex regulatory challenges while sustaining profitability. His deep understanding of market dynamics has helped the Company identify new growth opportunities, expand its customer base, and strengthen its competitive position. Mr. Maikal Raorani's leadership style fosters innovation, accountability, and a performance-driven culture across the organization.

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**.

The additional detailed information as per Section – II of Part II of Schedule V to the Companies Act, 2013 is attached herewith as **Annexure B**.

Considering his extensive expertise in various areas, the Board of Directors at the aforesaid meeting, on the recommendation of the Committee, also recommended for the approval of the Members, the re-appointment of Mr. Maikal Raorani as a Whole Time Director & CFO of the Company, as set out in the Resolution relating to his re-appointment, on the following terms & conditions: -

1. Fixed pay: Rs. 30,00,000 per financial year (with such component as may be agreed and decided by the Board); and
2. Other benefits of employment as per Company's rules viz. company maintained car with driver, mobile expense, reimbursement, provident fund, gratuity, personal accident insurance, medical insurance for self and dependents etc.
3. Employee Stock Options ('ESOPs'): Subject to any goals set and approved by the Nomination and Remuneration Committee, from time to time and as per applicable laws, he shall be entitled to receive ESOPs in accordance with the Employee Stock Option Plan of the Company.

The Company, as on date, is not in default in payment of dues to any bank or public financial institution or to any other secured creditor, and accordingly their prior approval is not required, for approval of the proposed Special Resolution. The directors recommend the Resolution for your approval.

Except Mr. Maikal Raorani and his relatives, none of the other Directors/Key Managerial Personnel's and their relatives are in any way, concerned or interested, financially or otherwise, in the resolutions set out in item No. 07 of the Notice.

The Board recommends the Special Resolution as set out at item No. 07 for the approval of the Shareholders.

Item No. 8:

At the 33rd Annual General Meeting held on June 30, 2022 the Members of the Company had approved the appointment and terms of remuneration of Mr. Sharad Shah (DIN:00006114), as a Whole Time Director of the Company for a period of 3 years w.e.f. October 01, 2022. Mr. Shah will complete his complete his present term on September 30, 2025.

Based on the recommendation of the Nomination & Remuneration Committee ('the Committee') and subject to the approval of the Members at ensuing Annual General Meeting, the Board of Directors at its meeting held on May 24, 2025 re-appointed Mr. Sharad Shah as the Whole Time Director of the Company with effect from October 01, 2025 for a period of 3 (three) years.

Further in accordance with the provisions of Section 197 read with Schedule V of the Act, in respect of the payment of managerial remuneration in case of no profits or inadequacy of profits as calculated under Section 198 of the Act, the Company may pay such remuneration over the ceiling limit as specified under Section 197 read with Schedule V, provided that the Members approval by way of a Special Resolution has been taken for payment of minimum remuneration for a period not exceeding 3 (three) years starting from October 01, 2025 to September 30, 2028.

Pursuant to Section II of Part II of Schedule V to the Act, the remuneration payable to Mr. Sharad Shah has been recommended and approved for a period of three years effective from October 01, 2025 to September 30, 2028 by the Nomination and Remuneration Committee at its Meeting held on May 24, 2025 and subsequently by the Board of Directors at its Meeting held on the even date. The approval of the Members pursuant to Section 197(1) read with Schedule V of the Act, (including any statutory amendment(s) or modification(s) thereto or enactment(s) or re-enactment(s) thereof for the time being in force), is sought for the remuneration payable to Mr. Sharad Shah as the Whole Time Director of the Company for the period from October 01, 2025 to September 30, 2028.

Mr. Sharad Shah, the founder and promoter of the company, brings over 30 years of rich industrial experience. His strong administrative skills play a key role in maintaining operational efficiency and ensuring smooth coordination across different departments. His dedication to excellence and ongoing development has greatly enhanced the division's performance and played a vital part in the company's overall success.

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**.

The additional detailed information as per Section – II of Part II of Schedule V to the Companies Act, 2013 is attached herewith as **Annexure B**.

Considering his rich industrial experience over a period of three decades, the Board of Directors at the aforesaid meeting, on the recommendation of the Committee, also recommended for the approval of the Members, the re-appointment of Mr. Sharad Shah as a Whole Time Director of the Company, as set out in the Resolution relating to his re-appointment, on the following terms & conditions: -

1. Fixed pay: Rs. 36,00,000 per financial year (with such component as may be agreed and decided by the Board); and
2. Other benefits of employment as per Company's rules viz. company maintained car with driver, mobile expense, reimbursement, provident fund, gratuity, personal accident insurance, medical insurance for self and dependents etc.

The Company, as on date, is not in default in payment of dues to any bank or public financial institution or to any other secured creditor, and accordingly their prior approval is not required, for approval of the proposed Special Resolution. The directors recommend the Resolution for your approval.

Except Mr. Sharad Shah and his relatives, Mr. Shailesh Shah and Promoters of the Company, none of the other Directors / Key Managerial Personnel's and their relatives are in any way, concerned or interested, financially or otherwise, in the resolutions set out in item No. 08 of the Notice.

The Board recommends the Special Resolution as set out at item No. 08 for the approval of the Shareholders.

Item No. 9

In order to facilitate the smooth conduct of the business operations of the Company and to meet its working capital and day-to-day operational requirements and considering the Company's future growth plans, the Board of Directors, at their meeting held on May 24, 2025, approved and recommended to the shareholders for an increase in the existing borrowing limit from Rs 50 Crores to Rs 100 Crores over and above the aggregate of the paid up share capital and free reserves of the Company under section 180(1)(c). The proposed borrowings by the Company, if required, is to be secured by mortgage or charge on all or any of the movable or immovable or any other tangible and intangible assets / properties of the Company (both present & future), in favour of any lender including the financial institutions / banks / debenture trustees etc. in such form, manner and ranking as may be determined by the Board of Directors of the Company from time to time, in consultation with the lender(s).

The mortgage and / or charge on any of the movable and / or immovable or any other tangible and intangible assets / properties

and / or the whole or any part of the undertaking(s) of the Company, to secure borrowings of the Company with a power to the charge holders to take over the management of the business of the Company in certain events of default, may be regarded as disposal of the Company's undertaking(s) within the meaning of Section 180(1)(a) of the Companies Act, 2013.

None of the Directors or key managerial personnel of the Company or their relatives is / are, in any way concerned or interested in the proposed resolutions.

The Board seeks for the approval of the members for passing of the resolution as set out at item no. 9 of this Notice as a Special Resolution.

Item No. 10

SEBI vide its notification dated December 12, 2024, amended the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). As per the amended regulations, listed companies are now required to obtain shareholders' approval, in addition to Board approval, for the appointment of Secretarial Auditors. The appointed Secretarial Auditor must be a peer-reviewed practicing Company Secretary and must not have any disqualifications as prescribed by the SEBI. Additionally, any association of the individual or firm as the Secretarial Auditor of the listed entity prior to March 31, 2025, shall not be considered for the purpose of calculating the tenure under the said Regulation.

Pursuant to the above requirement, the Board at its meeting held on 24th May 2025, considering the experience and expertise and based on the recommendation of the Audit Committee, has proposed to the Members of the Company the appointment of M/s. Ramesh Chandra Mishra & Associates, Company Secretaries a peer reviewed firm, as Secretarial Auditor of the Company for a period of Three (3) consecutive financial years, i.e. from financial year 2025-26 to financial year 2027-28 in terms of Regulation 24A of the SEBI Listing Regulations and SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/CIR/P/ 2024/185 dated December 31, 2024 ("SEBI Circular") read with provisions of Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Brief Profile

FCS Ramesh Chandra Mishra (Membership No. FCS 5477, CP No. 3987) is the proprietor of M/s. Ramesh Chandra Mishra & Associates and a Practicing Company Secretary with over 25 years of experience in the field.

In addition to filing various statutory returns under the Companies Act, he possesses extensive expertise in the incorporation of foreign companies, setting up branch offices in India, and handling matters related to mergers, amalgamations, and acquisitions through NCLT petitions. He also has significant experience representing clients in petitions before the Regional Director (RD), the National Company Law Tribunal (NCLT), the National Company Law Appellate Tribunal (NCLAT), and the Ministry of Corporate Affairs (MCA) on a range of company law matters.

Mr. Mishra is well-versed in the legal frameworks related to Company Law, SEBI, RBI, FEMA, and more. He has practical experience in share transfer and transmission accounting, and is highly proficient in XBRL and IND-AS-based filings of annual returns, particularly for large corporations and Government companies.

Details as per Regulation 36(5) of the SEBI Listing Regulations are as follows.

Proposed fees payable to the Secretarial Auditor along with terms of appointment	The proposed remuneration to be paid is Rs. 2,40,000 per annum (Rupees Two lakh Forty Thousand only). The said remuneration excludes certifications and other professional work, applicable taxes and out of pocket expenses. The remuneration for the subsequent year(s) of their term shall be fixed by the Board.
Basis of recommendation for appointment including the details in relation to and credentials of the Secretarial Auditor	Considering their qualifications and extensive experience, the Board of directors on recommendation of the Audit Committee recommends the appointment of M/s. Ramesh Chandra Mishra & Associates, Practicing Company Secretaries as the Secretarial Auditors of the Company for a period of Three (3) consecutive financial years, i.e. from financial year 2025-26 to financial year 2027-28

The appointment is subject to shareholders' approval at the Annual General Meeting. Accordingly, the approval of the Members is being sought for this proposed appointment.

None of the Directors, Key Managerial Personnel, or their respective relatives have any financial or other interest in the proposed resolution.

The Board seeks for the approval of the members for passing of the resolution as set out at item no. 10 of this Notice as an Ordinary Resolution.

ANNEXURE A

DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THIS 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. Lokanath Mishra	Mr. Shailesh S Shah	Mr. Maikal Raorani	Mr. Sharad Shah
DIN	03364948	00006154	00037831	00006114
Date of Birth	17/05/1972	04/12/1962	15/06/1973	02/12/1954
Age	53 Years	62 Years	52 Years	71 Years
Date of first appointment on the Board	08/07/2020	01/01/1993	06/12/2017	12/10/1993
Qualification	L.L.B & B.Com	Post Graduate in Commerce	B.E. & MBA	Graduate in Commerce
Profile, Experience and Expertise in specific functional areas	He is an experienced advocate with over 15 years of practice at the Bombay High Court. He provides strategic legal counsel, ensuring regulatory compliance across various industries. Renowned for his comprehensive understanding of corporate governance, financial regulations, and securities laws, Mr. Mishra is known for delivering practical solutions, earning him the trust of both corporate entities and individual clients.	He has been an integral part of the company since its inception. He has been instrumental in directing the expansion and advancement of the business. He oversees the marketing and operations of the company, ensuring smooth functioning since the commencement of its manufacturing activities.	His experience has helped the Company to emerge as one of the leading Technical Textiles Company in the Country. His expertise in financial management and legal affairs has ensured that the company navigates complex regulatory environments with ease while maintaining profitability.	Since the inception of the company, he has been at the helm of the Elastic Division, playing a pivotal role in its expansion and success. His strategic vision, coupled with his in-depth industry knowledge, has been instrumental in positioning the division as a market leader.
No. of Meetings of the Board attended during the year	Attended all 6 Board Meetings held during the period.	Attended all 6 Board Meetings held during the period.	Attended all 6 Board Meetings held during the period.	Attended all 6 Board Meetings held during the period.
List of Directorship of other Boards (excluding foreign companies)	1. Jaganathdham Super Structures Pvt Ltd 2. Minaxi Suppliers Pvt Ltd 3. Sumita Management Constancy Private Limited 4. Procentris (India) Private Limited	Skytech Textiles Private Limited	Skytech Textiles Private Limited	Skytech Textiles Private Limited
The Listed entity from which Director has resigned in last three years	1. MPF Systems Limited 2. Arigato Universe Limited	NIL	NIL	NIL
List of Membership / Chairmanship of Committees of other Companies (excluding foreign companies)	2	NIL	NIL	NIL
No. of Equity shares held in the Company (Including Shareholding as a beneficial owner) (As on March 31, 2025).	NIL	27,80,623	42,300	11,62,043
Terms and Conditions of re-appointment	As mentioned under the explanatory statements and 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 2024-25)	Rs. 60,000 (sitting fees)	Rs. 60 Lakhs	Rs. 30 Lakhs	Rs. 36 Lakhs
Details of remuneration sought to be paid	Sitting Fees	Rs. 60 Lakhs	Rs. 30 Lakhs	Rs. 36 Lakhs
In case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Mr. Lokanath Mishra possesses the requisite core skills, capabilities and competencies as required in context of the business of the Company	-	-	-
Inter-se relationship with other Directors and Key Managerial Personnel	None	Brother: Mr. Sharad Shah, Whole Time Director	None	Brother: Mr. Shailesh S Shah, Managing Director

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

Date: May 24, 2025
Place: Mumbai

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

Sd/-
Priyal Ruparelia
Company Secretary & Compliance Officer
ICSI M.NO. A71040

ANNEXURE B

STATEMENT PURSUANT TO SECTION II OF PART II OF SCHEDULE V TO THE COMPANIES ACT, 2013 IN RESPECT OF ITEM NO 6 to 8 OF THE NOTICE

I. General Information

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

4. Financial performance based on given indicators:

(Rs. In lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Income from Operation & other income	8549.14	8316.56
Profit/(Loss) before tax	780.75	595.69
Profit/(Loss) after tax	582.09	454.95

5. Foreign investments or collaborations, if any: NIL

II. Information About the Appointee:

1. Mr. Shailesh S Shah- Managing Director:

- a. **Background Details:** Mr. Shailesh S. Shah, a postgraduate with over 30 years of extensive industry experience, has played a pivotal role in driving the Company toward sustained growth and success. As a first-generation entrepreneur, he has been closely associated with the Company since its inception, laying a strong foundation based on innovation, integrity, and long-term vision.

b. Past remuneration:

Financial Year	Amount (in Rs.)
2023-24	60,00,000
2024-25	60,00,000

c. Recognition or awards: NA

- d. **Job profile and his suitability:** Mr. Shailesh S. Shah is the Managing Director of the Company and a dynamic first-generation entrepreneur with a strong foundation in both technical and commercial disciplines. With over 30 years of comprehensive industry experience, he oversees the critical functions of marketing and production, ensuring strategic alignment with the

Company's growth objectives. His commitment to operational excellence and quality standards has significantly contributed to building the Company's reputation for reliability and performance.

- e. **Remuneration proposed:** Details on proposed remuneration have been stated in the Explanatory Statement to Item No. 6 of this Notice.

- f. **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):** The proposed remuneration is in line with what peers in similar roles within the industry receive and is appropriate given the Company's size, business nature, and the responsibilities he undertakes.

- g. **Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:** Besides the remuneration paid/payable, Mr. Shailesh S. Shah does not have any pecuniary relationship with the Company. Mr. Shailesh S. Shah forms part of the Promoter Group of the Company and is related to the Promoters of the Company. Mr. Shailesh S. Shah also holds 27,80,623 Equity Shares in the share capital of the Company.

2. Mr. Sharad Shah- Whole Time Director:

- a. **Background Details:** Mr. Sharad S. Shah, an undergraduate in Commerce, brings over 35 years of extensive experience in business and administration. As a first-generation entrepreneur, he, along with Mr. Shailesh Shah, has played a pivotal role in establishing and leading the Company's elastic division since its inception.

b. Past remuneration:

Financial Year	Amount (in Rs.)
2023-24	36,00,000
2024-25	36,00,000

c. Recognition or awards: NA

- d. **Job profile and his suitability:** Mr. Sharad Shah's strategic insight and leadership have been instrumental in driving the division's growth and operational efficiency. His deep understanding of administrative functions and business dynamics continues to be a valuable asset to the Company. His commitment, hands-on approach, and long-term vision have significantly contributed to the Company's sustained success and stability.

- e. **Remuneration proposed:** Details on proposed remuneration have been stated in the Explanatory Statement to Item No. 7 of this Notice.

f. **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):** The proposed remuneration is in line with what peers in similar roles within the industry receive and is appropriate given the Company's size, business nature, and the responsibilities he undertakes.

g. **Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:** Besides the remuneration paid/payable, Mr. Sharad Shah does not have any pecuniary relationship with the Company. Mr. Sharad Shah form part of the Promoter Group of the Company and is related to the Promoters of the Company. Mr. Sharad Shah also holds 11,62,043 Equity Shares in the share capital of the Company.

3. Mr. Maikal Raorani- Whole Time Director & CFO:

a. **Background Details:** Mr. Maikal Raorani holds a B.E. degree along with an MBA and brings over 20 years of specialized experience in financial, commercial, and legal domains. He has been associated with the Company for the past two decades and was appointed as the Whole- Time Director & CFO effective December 06, 2017. With a strong techno-financial background, Mr. Maikal Raorani has played a crucial role in managing the Company's day-to-day operations.

b. Past remuneration:

Financial Year	Amount (in Rs.)
2023-24	30,00,000
2024-25	30,00,000

c. **Recognition or awards:** NA

d. **Job profile and his suitability:** Mr. Maikal Raorani's experience has helped the Company to emerge as one of the leading Technical Textiles Company in the Country. His expertise in financial management and legal affairs has ensured that the company navigates complex regulatory environments with ease while maintaining profitability.

e. **Remuneration proposed:** Details on proposed remuneration have been stated in the Explanatory Statement to Item No. 8 of this Notice.

f. **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):** The proposed remuneration is in line with what peers in similar roles within the industry receive and is appropriate given the Company's size, business nature, and the responsibilities he undertakes.

g. **Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:** Besides the remuneration paid/payable, Mr. Maikal Raorani does not have any pecuniary relationship with the Company. Mr. Maikal Raorani form part of the Promoter Group of the Company and is related to the Promoters of the Company. Mr. Maikal Raorani also holds 42,300 Equity Shares in the share capital of the Company.

III. Other Information:

Reasons of loss or inadequate profits:

The company is currently in its growth phase and operates within the accessory industry, which is relatively niche with modest industry size and scale of operations. As a result, there remains a possibility of future losses due to unforeseen circumstances or market fluctuations.

Steps taken or proposed to be taken for Improvement:

To support growth and mitigate potential risks, the company is focusing on market expansion, product diversification, operational efficiency, and risk management, while also investing in branding, technology, and talent development. These measures aim to strengthen resilience and position the company for long-term success.

Expected increase in productivity and profits in measurable terms:

The Company has undertaken several strategic initiatives aimed at enhancing its market share and overall financial performance. It is actively and aggressively executing these strategies to drive sustainable growth, improve profitability, and strengthen its competitive position in the industry.

IV. Disclosure

a. **Remuneration package of the managerial person:** As detailed in the resolution mentioned in the Notice of AGM.

b. **Disclosures in the Board of Directors' report under the heading 'Corporate Governance' included in Annual Report 2024-25:** The requisite details of remuneration of Directors are included in the Corporate Governance Report, forming part of the Annual Report of FY 2024-25 of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS

Global Economy Outlook

The global economy continues to experience moderated growth and inflationary adjustments amid ongoing supply chain realignments and heightened geopolitical uncertainties. According to the International Monetary Fund, global growth is projected to remain subdued at 3.3% in both 2025 and 2026—below the historical average of 3.7% recorded between 2000 and 2019. This forecast reflects a stabilization at a slower pace, highlighting the persistence of global economic headwinds.

Global headline inflation is projected to decline from an annual average of 4.3% in 2025, reflecting easing interest rates in major economies like the U.S., Eurozone and Asia Pacific. Advanced economies are expected to return to their inflation targets sooner than emerging markets and developing economies, where inflation may remain elevated for a longer period.

In 2024, the global hook and loop fasteners market was valued at approximately USD 2.83 billion and is projected to reach USD 2.99 billion by 2025, reflecting a compound annual growth rate (CAGR) of 5.6% during this period. Advancements in manufacturing techniques and materials science have led to the development of more durable, stronger, and versatile hook and loop fasteners. Additionally, a growing emphasis on sustainability, cost-effectiveness, and lightweight design in product development is driving market expansion. The combination of technological innovations, expanding applications, and increased focus on sustainability is poised to drive continued growth in the global hook and loop fasteners market through 2025 and beyond.

Indian Economy Outlook

India's economic trajectory remains robust, with its GDP growth consistently surpassing the global average since FY 2005. In FY 2024–25, despite global economic uncertainties, the Indian economy demonstrated resilience, achieving a solid growth rate of 6.6%. This performance underscores India's position as one of the fastest-growing major economies globally. The outlook remains positive, supported by strong domestic consumption, increased private and public investment, a revival in rural demand, sustained manufacturing growth, a youthful and expanding workforce, accelerating urbanization, and proactive government reforms.

India's manufacturing sector demonstrated sustained expansion in FY 2024–25. The Purchasing Managers' Index (PMI) for manufacturing remained robust, indicating continued growth in output and new orders. In February 2025, the PMI stood at 56.3, reflecting a solid expansion, albeit at a slightly slower pace compared to earlier months.

India enters FY 2024–25 with a strong macroeconomic foundation, positioning itself as one of the third largest

in the world by 2027. According to projections by the Reserve Bank of India and the International Monetary Fund, India's GDP growth is expected to be in the range of 6.5% to 7.0%, supported by resilient domestic demand, robust infrastructure spending, and a stable financial sector. Government-led initiatives under programs such as Make in India, PLI (Production Linked Incentive) schemes, and Atmanirbhar Bharat continue to enhance the competitiveness of the manufacturing sector, creating favourable conditions for industrial growth and job creation.



Inflationary pressures, although moderating, remain a key factor to watch. The Reserve Bank of India is expected to maintain a balanced monetary policy approach, ensuring that inflation remains within the targeted range while supporting growth. A sustained focus on improving logistics, digital infrastructure, and ease of doing business is further enhancing India's appeal as a global manufacturing hub. Additionally, rising foreign direct investment and a growing emphasis on green manufacturing and sustainability are aligning the Indian economy with global trends.

For the textile and fastening solutions industry, these macroeconomic developments present a significant opportunity. Increased government spending on infrastructure, rising consumer demand in Tier II and III cities, and the shift of global supply chains toward India are expected to boost domestic manufacturing. Companies like Sky Industries Limited, which are investing in expansion, innovation, and sustainable practices, are well-positioned to capitalize on India's economic momentum and play a vital role in the country's manufacturing-led growth story.

Industry Overview

Textile Industry Outlook

The Indian textile industry is one of the oldest and most significant sectors in the country. The technical textile industry in India has gained significant traction in recent years and is poised for continued growth in the coming years. This growth is driven by increasing demand for specialized textiles across industries such as automotive, healthcare, agriculture, construction, and defence, as well as strong government support. The production of technical textiles in India accounted for USD 19.49 billion, while imports

stood at USD 2.46 billion. With the sector contributing significantly to both domestic production and exports, India is well on its way to strengthening its position as a global leader in technical textiles. 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.

As of the financial year 2024-25, India's textile and apparel industry continues to play a pivotal role in the nation's economy. It contributes approximately 2.3% to India's Gross Domestic Product (GDP), 13% to industrial production, and 12% to total exports. Textile exports are projected to reach USD 65 billion, reflecting the sector's robust growth trajectory.

Company Review

Sky Industries Limited (SKY), established in 1989, is a leading manufacturer of high-quality Hook and Loop Tape Fasteners. With a strong focus on innovation and excellence, the company also incorporates sustainable practices in its operations, reflecting its commitment to responsible manufacturing.

The company places a strong emphasis on quality, sustainability, and customer satisfaction, making it a trusted partner for both domestic and international clients. Through continuous research and development, Sky Industries remains at the forefront of innovation in the Hook and Loop tape fastener market, delivering durable, cost-effective, and high-performance products to meet the evolving needs of its customers.

The company has expanded its export operations to over 10 countries, including the USA and Europe. It now serves more than 800 domestic customers and over 20 export clients, leading to notable growth in the domestic market compared to the previous financial year.

During the financial year 2024-25, the company maintained steady growth, with revenues reaching Rs. 85.49 Crore compared to Rs. 83.16 Crore in the previous year. EBITDA improved to Rs. 10.66 Crore from Rs. 8.98 Crore, reflecting better operational efficiency.

• OUTLOOK

Sky Industries Limited, a leader in the manufacturing of high-quality Hook and Loop Tape Fasteners since 1989, is well-positioned for sustained growth and success in the years ahead. Our commitment to innovation, operational excellence, and customer satisfaction forms the core of our business strategy, ensuring that we continue to lead in the fasteners industry, both domestically and globally all while maintaining a strong focus on environmental responsibility through the use of recycled materials.

Over the years, Sky has built a strong reputation for delivering reliable and durable fastening solutions across a diverse sector, such as footwear, automotive, orthopaedic, home furnishing, defense and consumer goods.

Innovation and continuous improvement are core drivers of our growth. We invest substantially in research and development to create new products and enhance existing ones, ensuring we remain at the forefront of the fasteners industry. Our R&D efforts are closely aligned with global sustainability goals, emphasizing the adoption of eco-friendly materials and greener manufacturing practices. Looking ahead, Sky Industries is poised to build on its legacy of excellence. By leveraging advanced technologies, sustainable business practices, and strategic global expansion, we aim to strengthen our market position, drive profitability, and meet the evolving needs of our customers. With a future-focused mindset, we are committed to delivering sustained growth and value in the years to come.

OPPORTUNITIES AND THREATS

OPPORTUNITIES

Premiumization & Eco-Fasteners

Rising demand for sustainable and premium-quality fasteners—biodegradable, recyclable, or made from GRS-certified yarn can allow Sky to command higher margins and tap ESG-conscious global clients.

Localization Opportunities Through 'China Plus One' Strategy

Global manufacturers diversifying away from China are looking to source from Indian suppliers. Sky can attract global OEMs and brands seeking alternative sourcing partners.

Defense & Aerospace Sector Expansion

With increasing government expenditure on indigenous defense manufacturing under initiatives like Atmanirbhar Bharat, Sky can strengthen its position as a supplier for military-grade fasteners.

Growth in E-Commerce Logistics & Reusable Packaging

The boom in e-commerce and logistics is increasing demand for reusable and durable fastening in packaging and shipping—an area where hook and loop fasteners are gaining traction.

Technical Textiles & Industrial Applications

India's technical textile market is expanding rapidly, particularly in segments like automotive, defense, infrastructure, and sports. Sky can innovate fastening solutions tailored to these sectors.



THREATS

Global Compliance & ESG Pressures

Rising expectations from international buyers regarding sustainability, traceability, and ethical sourcing could impose compliance and operational challenges.

Geopolitical & Trade Policy Risks

Trade restrictions, tariffs, or tensions (e.g., India-China) may impact costs, sourcing, and exports.

Rising Labor Costs & Talent Shortage in Manufacturing

As the industry shifts toward automation and quality driven production, access to skilled labor and rising wages may strain operations if not proactively addressed.

Intellectual Property Risks and Brand Erosion via Copycats

The risk of counterfeit or copycat products entering the market, especially from unregulated sources, can dilute brand credibility and pricing power.

Technological Substitution Risk

Alternatives like magnetic, adhesive, or seamless fastening systems could replace traditional hook and loop products in key applications over time.



• **SEGMENT-WISE PERFORMANCE**

Sky Industries Limited focuses exclusively on providing innovative fastening solutions within the broader framework of narrow woven fabric products. Due to the company’s singular line of business, the disclosure requirements of Accounting Standard (AS-17) pertaining to segment reporting are not applicable.

Throughout FY 2024–25, the company demonstrated operational resilience and steady performance, despite macro economic uncertainties and a moderated domestic demand environment. Its consistent focus on core strengths and responsiveness to evolving market needs contributed to a stable growth pattern.

The company’s primary business vertical, hook and loop fasteners, remained central to operations, delivering reliable performance across a range of end-user sectors such as footwear, fashion, medical, textiles, defence, automotive interiors, and industrial packaging. Continued procurement from institutional customers, particularly in the healthcare and defence segments, provided predictable volume and revenue flows.

Efforts to enhance product value through technical improvements and customization have led to an increase in contribution from premium and niche applications, supporting better realization and strengthening the company’s value proposition.

Domestically, the company’s push toward greater localization in sourcing and leaner manufacturing practices has improved operational efficiency and reduced input dependency. These strategic initiatives have contributed to cost competitiveness and faster turn around capabilities, helping the company stay agile in a demanding market landscape.

On the international front, exports retained a key role in revenue generation, with market share growth in both new and existing territories. The company’s adherence to recognized global standards, along with its reputation for product reliability and customer responsiveness, has continued to support its expansion as a trusted supplier in overseas markets.

“Going forward, the company remains focused on deepening market penetration, enhancing product differentiation, and exploring opportunities in smart and sustainable fastening technologies to future-proof its segment leadership.”

➤ **RISKS AND MITIGATION**



Risk management is a crucial aspect of business operations, distinct from strategic management. Although risks cannot be completely eliminated, they can be effectively controlled. Sky has established a strong Risk Management Policy, providing a clear framework for identifying, assessing, addressing, and monitoring key risks within the organization.

Whilst Sky is positioned for long term growth, risks are completely monitored. The company continues to implement risk mitigation strategies, maintain a flexible supply chain, and explore new market segments to reduce its dependency on any single revenue stream.

		RISK	MITIGATION
OPERATIONAL RISK	Raw Material Risk 	<ul style="list-style-type: none"> The availability and cost of key raw materials such as nylon and polyester are subject to global demand-supply dynamics, geopolitical disruptions, and environmental factors. 	<ul style="list-style-type: none"> Long-standing vendor relationships ensure continuity of supply. Backward integration for key materials reduces external dependency. Cost-plus pricing contracts help manage the impact of price fluctuations. Diversification of sources and regular procurement reviews enhance supply chain resilience.
	Employee Health, Safety & Industrial Risk 	<ul style="list-style-type: none"> Exposure to workplace accidents, equipment failures, and hazardous materials could result in injuries, liabilities, and operational downtime. 	<ul style="list-style-type: none"> A comprehensive HSE (Health, Safety, Environment) system aligned with best practices. Regular safety audits, risk assessments, and employee training. Strict adherence to legal safety regulations and protocols. Emphasis on ergonomic work environments and employee wellness programs.
STRATEGIC & MARKET RISK	Innovation & Technology Obsolescence Risk 	<ul style="list-style-type: none"> The risk of falling behind in product innovation or being displaced by alternative fastening technologies such as magnetic closures or adhesives. 	<ul style="list-style-type: none"> Proactive R&D investments aligned with global trends. Customer co-creation and market scanning for emerging needs. Focus on premiumization, eco-fasteners, and technical textile applications.
	Reputational Risk 	<ul style="list-style-type: none"> Quality issues, customer dissatisfaction, regulatory violations, or ESG controversies may damage brand credibility. 	<ul style="list-style-type: none"> Quality assurance at every production stage. Rapid grievance redressal and customer service processes. Ethical business practices and corporate governance frameworks. Crisis communication preparedness.

FINANCIAL RISK	Forex Risk  <ul style="list-style-type: none"> Volatility in currency exchange rates may impact the company's export revenues or import costs. 	<ul style="list-style-type: none"> Reliance on natural hedging mechanisms Alignment of receivables/payables in preferred currencies. Monitoring of exchange rates and dynamic pricing strategies.
	Liquidity and Interest Rate Risk  <ul style="list-style-type: none"> Delays in receivables, unforeseen cash flow disruptions, or rising interest rates could strain financial performance and capital allocation. 	<ul style="list-style-type: none"> Active treasury management and daily cash flow monitoring. Use of fixed-rate borrowings or interest rate swaps where appropriate. Diversification of banking relationships and maintenance of credit lines. Working capital optimization initiatives across business functions.
COMPLIANCE RISK	Regulatory Risk  <ul style="list-style-type: none"> Non-compliance with domestic or international laws, including labor, tax, and environmental regulations, may lead to legal or financial penalties. 	<ul style="list-style-type: none"> Company-wide compliance framework with periodic internal audits. Legal surveillance and proactive response to policy changes. Timely renewal of licenses, certifications, and statutory filings. Engagement with legal and regulatory advisors in key markets.
TECHNOLOGY RISK	Cybersecurity Risk  <ul style="list-style-type: none"> Unauthorized access, cyberattacks, or data breaches may disrupt operations, lead to data loss, and harm reputation. 	<ul style="list-style-type: none"> Implementation of multi-layered cybersecurity protocols (firewalls, encryption, access control). Regular penetration testing, vulnerability assessments, and IT audits. Employee awareness and training on cyber hygiene. Secure backup systems and incident response plans.
CLIMATE RISK	Environmental Risk  <ul style="list-style-type: none"> Climate-related events (e.g., floods, heatwaves) or tightening of environmental regulations may disrupt operations or increase costs. 	<ul style="list-style-type: none"> Commitment to eco-friendly manufacturing and GRS-certified products. Energy-efficient equipment and waste reduction practices. Monitoring of climate risk exposure across facilities. Integration of sustainability into product development and compliance planning.

► INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

For Sky, Internal Control System has been a key focus area. SKY has created well-organised internal control systems with comprehensive rules, guidelines, and processes that are appropriate for the size, complexity, and nature of the business it works in. According to the company's strategic growth goal, the internal control system is made to satisfy both present and future requirements. Regular reviews of policies and processes guarantee their applicability and thoroughness.

The comprehensive system implemented by Sky guarantees automated checks and balances, along with robust financial reporting. By strictly adhering to all relevant statutory compliance requirements, the company follows rigorous procedures to ensure accuracy in recording and delivering reliable financial and operational data. All business operations are closely monitored by both the internal team and the Audit Committee, who work together to design, implement, and maintain effective internal financial controls. Sky takes full responsibility for safeguarding its assets, preventing fraud, detecting errors promptly, ensuring the accuracy and completeness of accounting records, and preparing timely and reliable financial reports.

Additionally, the company emphasizes continuous improvement of its internal control framework, which is regularly reviewed to adapt to changing regulations, emerging risks, and business needs. Regular training programs are conducted for employees to ensure adherence to internal policies and procedures, fostering a culture of transparency and accountability. This structured approach to internal control not only ensures business continuity but also strengthens stakeholder confidence in Sky's financial integrity and operational reliability.

► DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

To assess the long-term viability of the technical textile sector, it's essential to analyse how effectively operational performance translates into financial results. This relationship provides valuable insight into the industry's efficiency, competitiveness, and resilience.

Key Points:

1. Revenue Growth Driven by Product Innovation:

Operational emphasis on R&D and the launch of high-performance or speciality textile goods frequently assist financial growth. Stronger revenue streams are typically observed by businesses that innovate operationally.

2. Capacity Utilization and Asset Productivity:

Key financial measures like ROA and ROCE are positively impacted by the efficient utilization of industrial facilities and machinery, which increases output at little additional expense.

3. Operational Risks Impacting Financial Stability:

Operations can be strained and financial performance adversely affected by disruptions like labour disputes, raw material shortages, or regulatory changes. Businesses with strong risk management are more resilient financially.

The summary of the operating performance is given below:

(Rs. In Lakhs)

Particulars	FY 2024-25	FY 2023-24	% of Change
Revenue from Operation	8408.51	8166.02	2.97%
Operating Profit (EBITDA)	1066.25	898.90	18.62%
Finance Cost	103.85	128.57	-19.23%
Depreciation Cost	135.67	128.66	5.45%
Profit Before Tax	780.75	595.69	31.07%
Profit After Tax	582.09	454.95	27.94%

➤ MATERIAL DEVELOPMENTS IN HUMAN RESOURCE/ INDUSTRIAL RELATIONS INCLUDING NUMBER OF PEOPLE EMPLOYED

Your Company's closing headcount for F.Y. 2024-25 were 83. Sky believes that the greatest asset is its human capital, Sky is unwavering in its will to develop a workforce that is competent, driven, and committed to the company's goals. Accordingly, during the reporting year, all human resource strategies were guided by a people-first approach. Through the alignment of human resources practices with public service standards and the organization's overarching goals, the HRM department continues to concentrate on enhancing institutional capacity.

Your Company continues to invest significantly in professional development programmes. These initiatives were tailored to strengthen the employees' current competencies while preparing them for future responsibilities. These efforts also contributed to building a resilient internal talent pipeline.

No major concerns remained unresolved during the year, and relations with all of the company's employees remained friendly. In order to facilitate seamless operations and cross-departmental cooperative problem-solving, a culture of respect for one another, cooperation, and open communication was maintained. A common goal and workplace harmony were further developed by regular worker involvement meetings and feedback systems. The management and board of directors would like to express their profound gratitude for each, tenacity employee's commitment, and efforts. Their combined efforts played a crucial role in propelling the business's performance and hitting significant benchmarks throughout the year.

Our core focus area includes:

- Recruitment and Deployment
- Trust and Transparency
- Performance Management
- People centric culture
- Welfare and Staff Engagement

• DETAILS OF SIGNIFICANT CHANGE IN KEY FINANCIAL RATIOS SHOWING FINANCIAL PERFORMANCE

According to the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the following information outlines significant changes in important financial ratios (i.e., changes of % or more from the immediately prior financial year):

Ratios	FY 2024-25	FY 2023-24	% of Change
Debtors Turnover (Days)	7.76	7.49	3.72%
Inventory Turnover (Days)	3.96%	3.98%	-0.42%
Interest Coverage Ratio	8.52:1	14.08:1	-39.48%
Current Ratio	2.27:1	2.13%	6.62%
Debt Equity Ratio	0.26:1	0.30:1	-14.99%
Operating Profit Margin (%)	6.96%	5.57%	24.91%
Net Profit Margin (%)	5.67%	5.67%	30.56%
Return on Net worth (%)	12.90%	11.33%	13.86%

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting Thirty Sixth 36th Annual Report of Sky Industries Limited ('The Company'), together with the Audited Financial Statements (standalone and consolidated) for the Financial Year ended March 31, 2025.

HIGHLIGHTS OF FINANCIAL PERFORMANCE

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

(Rs. in Lakhs)

PARTICULARS	Standalone		Consolidated	
	2024-25	2023-24	2024-25	2023-24
Revenue from Operations	8267.18	8246.49	8408.51	8166.02
Other Income	146.90	151.61	140.62	150.54
Total Income	8414.09	8398.10	8549.14	8316.56
Depreciation & Amortisation	178.42	174.48	181.65	174.64
Profit before Tax	817.27	609.96	780.75	554.73
Total Tax Expenses	205.35	142.47	198.65	140.74
Net Profit	611.89	467.49	582.09	413.99
Earnings Per Equity Share (in Rs.)				
Basic	7.64	5.97	7.27	5.25
Diluted	7.64	5.97	7.27	5.25

Note: Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

OVERVIEW

During the year under review, On Standalone basis, the Revenue from operations of the Company for FY 2024-25 was Rs. 8267.18 Lakhs as compared to Rs. 8246.49 Lakhs for FY 2023-24 registering a flat trajectory of 0.25%. The profit after tax ("PAT") attributable to shareholder for FY 2024-25 was Rs. 611.89 Lakhs as against Rs. 467.49 lakhs for FY 2023-24 registering a growth of 30.89%

On a Consolidated basis, the Revenue from operations of the Company for FY 2024-25 was Rs. 8408.51 as compared to Rs. 8166.02 Lakhs for FY 2023-24 registering a growth of 2.96%. The profit after tax ("PAT") attributable to shareholder for FY 2024-25 was Rs. 582.09 Lakhs as against Rs. 413.99 lakhs for FY 2023-24 registering a growth of 40.60%

On a Standalone basis, Earnings per share was Rs. 7.64 (Basic) and (Diluted) stood at in FY 2024-25 as compared to Rs.5.97 (Basic) and (Diluted) in FY 2023-24.

On a Consolidated basis, Earnings per share was Rs. 7.27 (Basic) and (Diluted) stood at in FY 2024-25 as compared to Rs. 5.77 (Basic) and (Diluted) in FY 2023-24.

The company's Financial Statements have been prepared in compliance with the Indian Accounting Standards (Ind-AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015, in accordance with Section 133 of the Companies Act, 2013, and other applicable provisions of the Act. The annual accounts have been prepared without any significant deviations from the prescribed accounting norms.

The company ensures timely adoption of new or amended Ind-AS as applicable, and any material impact arising from such changes is appropriately disclosed in the financial statements.

The financial reporting process involves a thorough review by the finance team and consultation with external auditors to ensure adherence to statutory requirements.

TRANSFER TO RESERVES

Considering sufficiency of balance, your Directors do not propose to transfer any amount to General Reserves for the year under review.

DIVIDEND

Your Company has a consistent history of steady dividend payments. Considering the financial performance for the year ended March 31, 2025, the Directors recommend a dividend of Re. 1/- per equity share of face value Rs. 10/- for the financial year 2024-25.

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

There has been no increase/decrease in the Authorized Share Capital of your Company during the year under review.

LISTING OF EQUITY SHARES

The Company's equity shares are listed on the following Stock Exchange:

- (i) BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001, Maharashtra, India;

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

The Company has one (1) Subsidiary- Skytech Textiles Private Limited as on March 31, 2025 which is primarily engaged in the manufacture and marketing of Technical Textiles and allied products, with a specific focus on Neoprene-based materials. The Company does not have any Joint Venture or Associate Company as defined under Section 2(6) of the Companies Act, 2013. Furthermore, there is no material subsidiary as per the applicable provisions of the Companies Act, 2013, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations. There has been no material change in the nature of the business of the subsidiary company.

In accordance with the first proviso to Section 129(3) of the Companies Act, 2013 read with Rules 5 and 8 of the Companies (Accounts) Rules, 2014, the key highlights of the financial performance of the subsidiary, as prescribed in Form AOC-1, are presented in **Annexure - A** to this Report.

Pursuant to Section 136 of the Companies Act, 2013, the standalone and consolidated financial statements of the Company, along with the audited financial statements of the subsidiary, are made available on the Company's official website for the benefit of shareholders and other stakeholders.

The Company ensures that the governance mechanisms applicable to its subsidiary comply with the principles of transparency, accountability, and ethical conduct as adopted by the parent Company. The performance of the subsidiary is evaluated periodically, and any material developments are disclosed appropriately in the consolidated financial statements and Board Reports.

The Company has also adopted a formal Policy for Determining Material Subsidiaries, in compliance with SEBI Listing Regulations. The policy is accessible on the Company's website at the following link:

<chrome-extension://efaidnbmninnibpcapjpcgkclefindmkaj/https://skycorp.in/wpcontent/uploads/2024/04/16.-Policy-for-Material-Subsidiary.pdf>

SKY INDUSTRIES EMPLOYEE STOCK OPTION PLAN – 2018

The Company has formulated an Employee Stock Option Scheme known as SKY Employee Stock Option Plan – 2018 (“ESOP – 2018”) in accordance with the provisions of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014

The SKY Employee Stock Option Plan – 2018 (“ESOP – 2018”) has been designed with the primary objective of fostering a sense of ownership among SKY employees by granting them equity participation in the Company. This scheme aims to recognize and reward employees for their consistent contributions to

the Company's growth and operational Company. The plan also supports SKY in attracting and retaining top-tier talent in a competitive market by providing a compelling long-term incentive. It aligns employee interests with those of shareholders, promoting a performance-driven culture focused on sustainable value creation.

The ESOP – 2018 Scheme came into effect from September 07, 2018 subject to attaining approval of the Board of Directors and Shareholders. The Company has received a certificate from Auditors confirming that the ESOP – 2018 Scheme has been implemented in accordance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. Further, there are no material changes in the aforesaid mentioned scheme.

The applicable disclosures as stipulated under the SEBI (“SBEB Regulations”), pertaining to the year ended March 31, 2025, is available on the Company's website at www.skycorp.in

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

Composition

The Company recognizes that a diverse and well-balanced Board is fundamental to its sustained success and effective governance. In alignment with the provisions of Section 149 of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, the composition of the Board reflects an optimal mix of Executive and Non-Executive Directors.

The Board comprises individuals with a wide spectrum of expertise, including industry knowledge, financial acumen, legal insight, and operational experience. The Directors also bring in diverse regional, cultural, and geographical perspectives, which contribute meaningfully to informed decision-making and help maintain the Company's strategic edge in a competitive environment.

As of March 31, 2025, the Board consisted of eight (8) Directors, including:

- Four Executive Directors and
- Four Non-Executive Directors, including one Independent Woman Director

Appointment/ Re-appointment

During the Financial Year 2024–25, Mrs. Sanghamitra Sarangi (DIN: 08536750) was re-appointed as an Independent Director for a second consecutive term of three years, effective from August 14, 2024 to August 13, 2027, in accordance with the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The present term of Mr. Lokanath Mishra (DIN: 08536750), Independent Director of the Company, is due to expire on July 07, 2025. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors, at its meeting held on May 24, 2025, considered and approved his re-appointment

for a second term of three years commencing from July 08, 2025 to July 07, 2028, subject to approval of shareholders by way of Special Resolution at the ensuing Annual General Meeting.

Further, the present term of Mr. Shailesh S Shah (DIN: 00006154) as Managing Director, Mr. Maikal Raorani (DIN: 00037831) as Whole-Time Director & Chief Financial Officer, and Mr. Sharad Shah (DIN: 00006114) as Whole-Time Director, will expire on September 30, 2025. Based on the recommendation of the Nomination and Remuneration Committee, the Board has considered and approved their re-appointment for a further term of three years from October 01, 2025 to September 30, 2028, subject to approval of shareholders by way of Special Resolution at the ensuing Annual General Meeting.

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. Sharad S Shah (DIN:00006114), Whole Time Director & Mr. Gopalakrishnan Mani (DIN: 10324513), Whole Time Director 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. Sharad S Shah & Mr. Gopalakrishnan Mani, are provided as an Annexure to the Notice of the Annual General Meeting.

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

Key Managerial Personnel

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

The Company has four Independent Directors, namely Mr. Amarendra Mohapatra, Mr. Lokanath S Mishra, Mr. Nitin Arvind Oza and Mrs. Sanghamitra Sarangi. Each of them has submitted the requisite declarations under Section 149(7) of the Act, affirming that they meet the criteria of independence as outlined in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations.

In accordance with Regulation 25(8) of the SEBI Listing Regulations, all Independent Directors have further confirmed that they are not aware of any circumstances or situations that could impair their independence or affect their ability to exercise objective judgment free from external influence.

The Board of Directors has reviewed and duly noted these declarations and confirmations after conducting a thorough assessment of their accuracy. The Independent Directors have also affirmed compliance with the provisions of Schedule IV of the Act (Code for Independent Directors) and the Company’s Code of Conduct. There has been no change in the status or circumstances that would affect their designation as Independent Directors during the reporting period.

Additionally, the Company has received confirmation from all Independent Directors regarding their registration in the Independent Directors’ databank, maintained by the Indian Institute of Corporate Affairs, in accordance with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

The terms and conditions of appointment of the Independent Directors are placed on the website of the Company at the [chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://skycorp.in/wp-content/uploads/2024/04/Terms_of_appointment_of_independent_director-2.pdf](https://skycorp.in/wp-content/uploads/2024/04/Terms_of_appointment_of_independent_director-2.pdf)

Familiarization Programme for Independent Directors

Your Company has adopted a formal Familiarisation Programme for Independent Directors to support their effective participation on the Board. As part of the familiarisation process, the Company provides detailed insights into its business operations, industry dynamics, organizational structure, and group-level businesses. Independent Directors are also informed about the regulatory and compliance obligations under the Companies Act, 2013 and the SEBI Listing Regulations.

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/2025/04/Familiarization_Programme-24-25.pdf](https://skycorp.in/wp-content/uploads/2025/04/Familiarization_Programme-24-25.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 31st March, 2025; the Board of Directors hereby confirms that:

- i) In the preparation of the annual accounts for the financial year ended March 31, 2025, 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, 2025 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

During the year under review, the Board has demonstrated a high level of involvement in guiding the Company, supported by detailed discussions and timely decisions. In cases of urgent or extraordinary matters arising between scheduled meetings, the Board's approval is obtained through resolutions passed by circulation, in accordance with the provisions of the Act and relevant rules. These resolutions are noted and ratified at the subsequent Board meeting to ensure formal documentation and compliance.

During the financial year, six (6) 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 February 04, 2025.

ANNUAL BOARD EVALUATION

The Company has established a comprehensive framework for evaluating the performance of the Board of Directors, its Committees, and individual Directors, in line with the requirements of Sections 134 and 178 of the Act, Regulation 17(10) of the SEBI Listing Regulations, and the Company's Nomination and Remuneration Policy.

As part of this evaluation process, structured and confidential questionnaires were circulated to all Directors to obtain feedback on various aspects of the Board's functioning, the effectiveness of its Committees, and the performance of each Director. The observations and responses received were compiled, analyzed, and subsequently presented to the Chairman of the Board for review and discussion.

The evaluation of Directors covered several aspects, including their attendance and participation in meetings, understanding of the Company's operations and business environment,

application of knowledge and expertise, quality of contributions to discussions, maintenance of confidentiality, integrity, and independent judgment. Directors were also evaluated on their alignment with the Company's core values, commitment to fiduciary responsibilities, and adherence to the Code of Conduct.

The Board's performance was assessed based on criteria such as the effectiveness of its oversight on compliance and governance matters, clarity in the roles of the Chairman and Executive/Non-Executive Directors, the diversity and mix of skills and expertise, strategic involvement, and overall guidance in areas such as risk management, financial reporting, ethics, and succession planning. Particular emphasis was placed on the Board's ability to provide strategic foresight and review the implementation of key initiatives and policies.

The evaluation of Committees considered their structure, independence, frequency of meetings, adherence to defined procedures, effectiveness in fulfilling their responsibilities, and the extent of their contribution to Board decisions. The Committees were also assessed on their ability to engage meaningfully with internal and external auditors, and their role in supporting oversight functions.

Based on the outcome, the Board concluded that the overall performance of the Board, its Committees, and individual Directors, including Independent Directors, was found to be satisfactory.

COMMITTEES OF THE BOARD

As on March 31, 2025, the Board has constituted the following committees:

- Audit Committee
- Corporate Social Responsibility
- Nomination and Remuneration Committee
- Stakeholder's 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 remains firmly committed to sustainable development through the implementation of a well-defined Corporate Social Responsibility (CSR) strategy. This strategy places strong emphasis on respecting local communities and cultures, protecting the environment, and conserving natural resources and energy.

The Company's Corporate Social Responsibility (CSR) initiatives are fully aligned with the provisions of Section 135 of the Companies Act, 2013. A brief summary of the CSR activities carried out during the year, along with the Company's CSR Policy, is provided in **Annexure-B** of this Report, in the format prescribed under the Companies (Corporate Social Responsibility Policy) Rules, 2014. The complete CSR Policy, as approved by the Board of Directors, is available on the Company's website and can be accessed via the following link: <https://skycorp.in/wp-content/uploads/2023/03/CSR-Policy.pdf>.

Further details regarding the CSR Committee, including its composition and responsibilities, are included in the Corporate Governance Report, which forms an integral part of the Company's Annual Report.

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

The HR function is strategically integrated with the Company's long-term vision and is geared towards enhancing employee experience, performance, and future readiness. This year, Sky remained committed to nurturing an inclusive and collaborative workplace culture that encourages transparency, creativity, and mutual respect. The Company actively promotes a learning-oriented environment by investing in skill-building, leadership development, and cross-functional exposure, ensuring employees continue to grow and thrive within the organization.

In addition to professional growth, the Company places great value on employee well-being and work-life balance, striving to create a healthy, engaging, and performance-driven culture. Through various initiatives and feedback mechanisms, the Company ensures continuous dialogue with its workforce, reinforcing its commitment to building long-term, fulfilling relationships with employees.

To enhance team spirit and cultivate a welcoming environment, the Company also organized various interactive sessions and team-building activities, which encouraged open communication, collaboration, and relationship-building across departments. These initiatives played a significant role in reinforcing team spirit and enhancing organizational cohesion.

NOMINATION AND REMUNERATION POLICY

The Company has established a comprehensive Policy on Director Appointment and Remuneration, which also encompasses Key Managerial Personnel and other employees. This policy serves as a framework for the Nomination and Remuneration Committee to identify and recommend individuals who possess the necessary qualifications, skills, and experience to serve as Directors. It also lays down clear criteria for assessing the independence of Directors in accordance with regulatory requirements and the Company's governance standards.

Furthermore, the policy ensures that the Company's remuneration strategy is aligned with its overarching business objectives. Remuneration packages are designed to reward individual contributions as well as overall organizational performance, while

remaining competitive and in line with industry benchmarks. This approach not only motivates Directors and employees to deliver sustainable value but also supports the retention of high-caliber talent.

In addition to fixed and variable pay components, the policy emphasizes transparency, fairness, and alignment with shareholder interests. The Committee regularly reviews the policy to adapt to changing regulatory landscapes and evolving best practices in corporate governance. This enables the Company to maintain a balanced and performance-driven reward system that fosters long-term growth and accountability.

The said policy has been posted on the website of the Company and the web link thereto is: chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://skycorp.in/wp-content/uploads/2022/10/Nomination-and-Remuneration-Policy-NRC_SKY.pdf. 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".

INTERNAL FINANCIAL CONTROL SYSTEMS, THEIR ADEQUACY AND RISK MANAGEMENT

The Company has in place a robust internal control system, commensurate with the size, scale, and complexity of its operations. These controls are supported by well-documented policies and standard operating procedures that govern key business processes. The internal control framework is designed to ensure the orderly and efficient conduct of business, including adherence to internal policies, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and timely preparation of reliable financial information.

In compliance with Section 138 of the Act and the applicable provisions of the SEBI Listing Regulations, the Company has established a structured Internal Audit function. The scope, authority, and functioning of the internal audit are defined and reviewed periodically by the Audit Committee. Internal audits are conducted at regular intervals to assess the effectiveness of operational and financial controls and to provide assurance on the design and operating effectiveness of internal systems.

The internal audits during the year focused on key functional areas such as inventory management, stock, Human Resources, IT systems, and operational efficiency. The audit findings were presented to the Audit Committee on a quarterly basis, along with management's responses and action plans. Follow-up mechanisms are in place to ensure the timely implementation of corrective measures.

The internal control environment of the Company is dynamic and responsive to evolving business needs. It is reviewed periodically and strengthened as required to ensure high standards of governance, transparency, and accountability are maintained throughout the organization.

The internal and operational audit responsibilities are assigned to S. A. Porwal & Associates, who function independently and report directly to the Audit Committee to ensure objectivity and transparency in the audit process. The primary focus of their audit activities is to conduct a comprehensive assessment of business risks, evaluate the effectiveness of internal controls, and review core business processes for efficiency, compliance, and alignment with industry best practices.

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

The Company has established a robust and transparent framework for the review, approval, and monitoring of Related Party Transactions (RPTs). This framework ensures that all transactions with related parties are conducted in a fair, arm's-length manner and are aligned with the Company's commitment to ethical business practices and regulatory compliance.

In accordance with the provisions of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Company's Policy on Materiality and Dealing with Related Party Transactions, all relevant information pertaining to proposed RPTs—including transaction details, nature of the relationship, commercial rationale, and pricing justification—is submitted for prior review and approval of the Audit Committee.

The Audit Committee plays a critical oversight role by ensuring that such transactions are in the best interest of the Company and its stakeholders, and do not result in any conflict of interest. For material RPTs and those requiring shareholder approval, the Company ensures timely disclosure and compliance with all applicable regulatory requirements and SEBI circulars.

Additionally, the Company periodically updates its Related Party Transaction policy to incorporate changes in law and evolving governance best practices. The Company has not entered into any transactions with related parties during the year under review which requires reporting in Form AOC-2 in terms of Section 134(3) and 188(1) of the Act read with Rule 8(1) of the Companies (Accounts) Rules, 2014.

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

The particulars of loans, guarantees, and investments made by the Company during the financial year 2024–25, as required under Section 186 of the Companies Act, 2013, are provided in the Notes to the Financial Statements, which form an integral part of this 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 Act.

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 remains fully committed to upholding the highest standards of legal compliance and operational excellence in all aspects of Health, Safety, and Environmental (HSE) management. During the year under review, the Company continued to focus on energy and water conservation, enhanced utilization of renewable energy sources, and efforts to minimize waste generation across operations. These initiatives are in alignment with the Company's broader goals of sustainable development and environmental stewardship.

In line with this commitment, the management has actively fostered a culture of safety and well-being across the organization. The Company organizes routine fire safety drills, along with periodic health check-ups for both permanent and contractual employees, ensuring proactive care and risk prevention at the workplace.

The Company recognizes that safety is not a one-time initiative but an ongoing journey of continuous improvement. Accordingly, it has outlined future plans aimed at further enhancing the overall workforce well-being, promoting a proactive approach to health and safety, and embedding a strong safety-first culture throughout all operational sites.

Additionally, your Company reaffirms its commitment to providing a safe, healthy, and secure working environment across all manufacturing units and office, thereby ensuring a responsible and people-centric approach to organizational growth.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Your Company is committed to fostering a work environment that upholds the highest standards of safety, ethics, and legal compliance across all levels of its operations. To this end, a structured Vigil Mechanism and Whistle blower Policy have been implemented in line with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations.

These mechanisms are designed to enable employees and other stakeholders to confidentially report concerns regarding actual or suspected misconduct, including unethical behavior, violations of legal or regulatory requirements, and breaches of the Company's Code of Conduct. The system ensures that disclosures are handled in a fair, transparent, and secure manner, without fear of retaliation. Comprehensive information on the Company's Vigil Mechanism and Whistle blower Policy is provided in the Corporate Governance Report, which forms an integral part of this Integrated Annual Report. The Policy is also available on the Company's official website at chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://skycorp.in/wp-content/uploads/2022/10/6.-Vigil-Mechanism-Whistle-Blower-Policy_SKY.pdf

There were no Complaints received for the financial year ended March 31, 2025.

AUDITORS AND REPORTS

Statutory Auditor & their Audit Report for the year ended March 31, 2025

At the 34th Annual General Meeting held on June 30, 2023, the Members approved the re-appointment of CGCA & Associates LLP, Chartered Accountants (Firm Registration No. 123393W), formerly known as UKG & Associates, as the statutory auditors of the Company. This appointment is for a second term, spanning from the conclusion of the 34th AGM until the conclusion of the 39th AGM, scheduled in the year 2028.

The Auditor's Report on the Financial Statements for the year ended March 31, 2025, is unqualified and free from any adverse remarks, qualifications, disclaimers, or reservations. The notes accompanying the financial statements are comprehensive and self-explanatory, requiring no additional clarifications. Furthermore, the Auditors have not reported any instances of fraud under Section 143(12) of the Companies Act, and consequently, no disclosures are necessary under Section 134(3)(ca) of the Act.

Secretarial Auditor & their Audit Report for the year ended March 31, 2025

In accordance with Section 204 of the Act and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. Ramesh Chandra Mishra & Associates, Company Secretary in practice (Membership No.:5477 Certificate of Practice No.:3987), to conduct secretarial audit of the Company for FY25.

Further, pursuant to the provisions of Regulation 24A of the Securities and Exchange Board of India (Listing Obligations

and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has approved, subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company, appointment of M/s. Ramesh Chandra Mishra & Associates, Company Secretary in practice (Membership No.:5477 Certificate of Practice No.:3987), as Secretarial Auditors of the Company for a term of 3 years starting from FY26. The Company has received a consent letter from M/s Ramesh Chandra Mishra & Associates, that they are not disqualified and are eligible to hold the office as Auditors of the Company, if appointed.

The Secretarial Audit Report, provided by the Secretarial Auditor, is annexed as **Annexure-C** and forms an integral part of this Report. The Report is clean and unqualified, with no reservations, adverse remarks, disclaimers, or qualifications. The observations made in the Report are self-explanatory and do not warrant any further comments or explanations from the Board. Furthermore, the Secretarial Auditor has not reported any instances of fraud under Section 143(12) of the Companies Act, 2013. Accordingly, there are no disclosures required under Section 134(3)(ca) of the Act.

Accounting Standards

The Company has followed Indian Accounting Standards (Ind AS) issued by the Ministry of Corporate Affairs in the preparation of its financial statements.

ANNUAL RETURN

In accordance with the provisions of Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company has been made available on the Company's official website at www.skycorp.in.

CORPORATE GOVERNANCE

The Company remains steadfast in its commitment to upholding the highest standards of Corporate Governance, emphasizing transparency, accountability, and ethical business practices in all aspects of its operations. In accordance with Regulation 34 read with Schedule V of the SEBI Listing Regulations, a separate report on Corporate Governance has been included as part of this Integrated Annual Report.

Additionally, a certificate issued by M/s. Ramesh Chandra Mishra & Associates, Company Secretaries, of the Company, confirming compliance with the Corporate Governance requirements as prescribed under the Listing Regulations is annexed thereto.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the year under review, as stipulated under the Regulation 34 read with Schedule V of SEBI Listing Regulations, forms part of this Annual Report.

The state of the affairs of the business along with the financial and operational developments have been discussed in detail in the Management Discussion and Analysis Report.

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

The Company is firmly committed to fostering a safe, respectful, and inclusive workplace and maintains a zero-tolerance policy towards any form of discrimination or harassment. In alignment with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has implemented a comprehensive Anti-Harassment and Grievance Redressal Policy.

To ensure proper handling of such matters, an Internal Complaints Committee (ICC) is constituted at the Group level to address and resolve complaints related to sexual harassment in a timely and fair manner. The policy clearly outlines the procedures, roles, and responsibilities involved in addressing such concerns and aims to offer guidance and support to employees across all offices of the Company.

The policy covers all women employees, including those who are permanent, temporary, or contractual. It is introduced to all employees during their induction.

During the financial year under review, the Company has not received any complaints pertaining to sexual harassment. The said policy has been uploaded on Company's website at <https://skycorp.in/sky-policies-adopted/>

The details of complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during FY 2024-25 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

In accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014, the relevant information pertaining to conservation of energy, technology absorption, and foreign exchange earnings and outgo is provided in **Annexure - D**, which forms an integral part of this Report.

SECRETARIAL STANDARDS COMPLIANCES

Your Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2).

Date: May 24, 2025

Place: Mumbai

STATUTORY INFORMATION AND OTHER DISCLOSURES

- No Director of the Company has received any remuneration or commission from any of its subsidiary companies.
- The Company does not operate any scheme or make any provision for the purchase of its own shares by employees or through trustees for the benefit of employees.
- The Company has not accepted any public deposits as defined under Sections 73 and 76 of the Companies Act, 2013, along with the applicable rules framed thereunder.
- Further, during the year, the Company has not received any funds from the public that would fall within the purview of the said provisions of the Act.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

Not applicable during reporting period.

CAUTIONARY STATEMENT

Certain statements made in this Report, including those under Management Discussion and Analysis, Corporate Governance, the Notice to Shareholders, and other sections of the Annual Report, may constitute "forward-looking statements" as per applicable laws and regulations. These statements reflect the Company's current intentions, expectations, projections, or forecasts regarding future performance.

However, actual outcomes may vary materially from those expressed or implied, owing to changes in market conditions, economic developments, or unforeseen circumstances. The Company does not assume any obligation or responsibility for the accuracy or completeness of such forward-looking statements, which may be subject to revision based on future events, developments, or the availability of new information.

ACKNOWLEDGEMENT

The Directors acknowledge and sincerely appreciate the dedication, perseverance, and hard work demonstrated by all employees across the Company. They also extend their heartfelt thanks to the shareholders, government bodies, regulatory authorities, banks, credit rating agencies, stock exchanges, depositories, auditors, customers, vendors, business associates, suppliers, distributors, and the communities surrounding the Company's operations. The Directors are grateful for their continued support, trust, and confidence in the Company's Management.

For and Behalf of the Board of Directors
SKY INDUSTRIES LIMITED

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	% of Shareholding
1.	Skytech Textiles Private Limited	12-06-2023	01-04-2024 to 31-03-2025	NA	200	(41.55)	168.80	10.35	0	169.62	(36.53)	0	0	99.98%

For and Behalf of the Board of Directors
SKY INDUSTRIES LIMITED

Date : May 24, 2025
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 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.	5,00,16,188
b)	Two percent of average net profit of the company as per sub-section (5) of section 135.	10,00,324
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	87,297
e)	Total CSR obligation for the financial year [(b) +(c)-(d)].	9,13,027

		(in Rs.)
a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).	10,00,000
b)	Amount spent in Administrative Overheads	Nil
c)	Amount spent on Impact Assessment, if applicable	Nil
d)	Total amount spent for the Financial Year [(a)+(b)+(c)].	10,00,000

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

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per sub-section (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.
10,00,000	-		-	-	-

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

SI. No.	Particular	Amount (in Rs.)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	10,00,324
(ii)	Total amount spent for the Financial Year	10,00,000
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	(324)
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	87,297

Sl. No.	Particular	Amount (in Rs.)
(1)	(2)	(3)
	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	87,297
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	86,973

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**

Date : May 24, 2025
Place : Mumbai

Sd/-
Maikal Raorani
Whole Time Director & CFO
DIN: 00037831

Sd/-
Lokanath Mishra
Chairperson of CSR Committee
DIN:03364948

ANNEXURE C

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2025
[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, 2025 (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, 2025 according to the provisions of:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- During the year under review the company granted 75000 stock options to the eligible employees of the company under the Sky Industries Employee Stock Option Plan 2018 ('ESOP 2018').

24-05-2025

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.:- F005477G000430176

(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.

24-05-2025
MumbaiFor **Ramesh Chandra Mishra & Associates**

sd/-

Ramesh Mishra

Company Secretary In Practice

FCS: 5477

PCS: 3987

Peer Review Certificate No. 1133/2021

UDIN NO.:- F005477G000430176

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, 2025.

A. CONSERVATION OF ENERGY

During FY 2024-2025, your Company remained committed to reducing energy consumption and enhancing energy efficiency across operations. Energy conservation is a core component of our environmental strategy. Key manufacturing units at Vashi and Bhiwandi have implemented energy-efficient systems, contributing to sustained reductions in energy usage. The Company also continues to adopt renewable energy solutions and natural resource utilization wherever feasible.

Optimal measures have been implemented to reduce energy consumption as part of our ongoing sustainable development efforts. Looking ahead, the Company aims to further lower emissions and operational costs by exploring solar energy and other green technologies, reinforcing its commitment to sustainable growth.

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. Use of energy-efficient compressors for compressed air systems;
2. Installation of motion sensors and timers for lighting in low-occupancy areas;
3. Training employees on energy conservation best practices;
4. Utilizing natural lighting and ventilation wherever feasible;
5. Adoption of digital tools and paperless workflows to reduce environmental impact;
6. Green landscaping around factories to lower ambient temperature and reduce cooling load;
7. Optimization of production schedules to minimize idle machine time and energy wastage;
8. Installation of double-glazed windows and insulation to improve energy retention in office and plant buildings.

These initiatives have not only resulted in substantial savings in production costs and power consumption but have also led to reduced maintenance time and expenses. Furthermore, they have contributed to enhanced workplace hygiene, consistent product quality, and improved overall 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:

During the year under review, the Company continued its focused efforts toward enhancing existing technologies and exploring the development and deployment of new ones to accelerate processes and improve production efficiency. Through meticulous planning of production activities and operational procedures, the Company has achieved greater stability in quality, shorter project timelines, and reduced consumption of manpower and materials at the site. These efforts have contributed to more streamlined operations and better resource optimization across projects.

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

The outcomes of these initiatives include enhanced customer satisfaction, successful introduction of new brands and product lines, adherence to quality standards, compliance with global quality standards, expansion in export markets, and reduced packaging expenses. Additionally, these efforts have strengthened market competitiveness, improved brand reputation, and supported sustainable packaging practices.

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	2024-25	2023-24
Foreign Exchange Earned	1656.90	1288.39
Foreign Exchange Used	3748.44	2960.52

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.	<table border="1" style="width: 100%;"> <thead> <tr> <th style="text-align: center;">Name of the Director</th> <th style="text-align: center;">Ratio (in x times)</th> </tr> </thead> <tbody> <tr> <td>Mr. Shailesh S. Shah</td> <td style="text-align: center;">10.83</td> </tr> <tr> <td>Mr. Sharad S. Shah</td> <td style="text-align: center;">6.56</td> </tr> <tr> <td>Mr. Maikal Raorani</td> <td style="text-align: center;">5.49</td> </tr> <tr> <td>Mr. Gopalakrishnan Mani</td> <td style="text-align: center;">3.61</td> </tr> <tr> <td>Mr. Amarendra Mohapatra</td> <td style="text-align: center;">-</td> </tr> <tr> <td>Ms. Sanghamitra Sarangi</td> <td style="text-align: center;">-</td> </tr> <tr> <td>Mr. Lokanath Suryanarayan Mishra</td> <td style="text-align: center;">-</td> </tr> <tr> <td>Mr. Nitin Oza</td> <td style="text-align: center;">-</td> </tr> </tbody> </table>	Name of the Director	Ratio (in x times)	Mr. Shailesh S. Shah	10.83	Mr. Sharad S. Shah	6.56	Mr. Maikal Raorani	5.49	Mr. Gopalakrishnan Mani	3.61	Mr. Amarendra Mohapatra	-	Ms. Sanghamitra Sarangi	-	Mr. Lokanath Suryanarayan Mishra	-	Mr. Nitin Oza	-		
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Ms. Sanghamitra Sarangi	-																					
Mr. Lokanath Suryanarayan Mishra	-																					
Mr. Nitin Oza	-																					
2	The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year.	<table border="1" style="width: 100%;"> <thead> <tr> <th style="text-align: center;">Name of the Director</th> <th style="text-align: center;">% increase in Remuneration</th> </tr> </thead> <tbody> <tr> <td>Mr. Shailesh S. Shah</td> <td style="text-align: center;">0.94</td> </tr> <tr> <td>Mr. Sharad S. Shah</td> <td style="text-align: center;">0.90</td> </tr> <tr> <td>Mr. Maikal Raorani</td> <td style="text-align: center;">1.42</td> </tr> <tr> <td>Mr. Gopalakrishnan Mani</td> <td style="text-align: center;">3.61</td> </tr> <tr> <td>Mr. Amarendra Mohapatra</td> <td style="text-align: center;">-</td> </tr> <tr> <td>Ms. Sanghamitra Sarangi</td> <td style="text-align: center;">-</td> </tr> <tr> <td>Mr. Lokanath Suryanarayan Mishra</td> <td style="text-align: center;">-</td> </tr> <tr> <td>Mr. Nitin Oza</td> <td style="text-align: center;">-</td> </tr> <tr> <td>Ms. Priyal Ruparelia</td> <td style="text-align: center;">1.53</td> </tr> </tbody> </table>	Name of the Director	% increase in Remuneration	Mr. Shailesh S. Shah	0.94	Mr. Sharad S. Shah	0.90	Mr. Maikal Raorani	1.42	Mr. Gopalakrishnan Mani	3.61	Mr. Amarendra Mohapatra	-	Ms. Sanghamitra Sarangi	-	Mr. Lokanath Suryanarayan Mishra	-	Mr. Nitin Oza	-	Ms. Priyal Ruparelia	1.53
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Mr. Nitin Oza	-																					
Ms. Priyal Ruparelia	1.53																					
3	The percentage increase/decrease in the median remuneration of employees in the financial year.	During FY 2024-25, the percentage increase in the median remuneration of employees as compared to previous year was approximately 0.01%																				
4	The number of permanent employees on the rolls of Company.	There were 83 employees as on March 31, 2025																				
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 6-8%. 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.																				

Notes:

- The median remuneration of all the employees of the Company was Rs. 5.54 Lakhs. For this purpose, Sitting Fees paid to the Independent Directors has not been considered as remuneration;
- Figures have been rounded off wherever necessary.

Report on Corporate Governance

[Report on Corporate Governance pursuant to the Companies Act, 2013 (“the Act) 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

The Company’s corporate governance philosophy revolve around fair and transparent governance and disclosure practices in line with the Principles of Good Corporate Governance. This philosophy is backed by principles of concerns, commitment, ethics, excellence and learning in all its acts and relationships with stakeholders, clients, associates and the community at large. The Company believes that good Corporate Governance is a continuous process and strives to improve its Corporate Governance practices to meet shareholder’s expectations. The business is governed and supervised by a strong Board of Directors and together with the management, they are committed to uphold the principles of excellence across all activities.

The Company is compliant with the latest provisions of the SEBI Listing Regulations as amended from time to time.

2. Board of Directors

The composition of the Board as on March 31, 2025 comprised of 8 (Eight) Directors with optimum combination

of Whole Time Directors and Independent Directors i.e., 4 (four) Whole Time Directors and 4 (four) Non-Executive Independent Directors (including one Independent Woman Director). All the members are eminent persons with considerable professional expertise and experience. The Board consists of a balanced combination of Executive and Non-Executive Directors.

The Board Members are not related to each other and the number of Directorships/Committee memberships held by Executive and Non-Executive Independent Directors are within the permissible limits under SEBI Listing Regulations, 2015 and the Act.

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.

The details of other Directorships/Chairmanship and Membership of Committees held by Directors of the Company (including the company) as on March 31, 2025 is given below:

Attendance, Directorships and Committee positions –

Name of Directors	Category	No. of Other Directorships and Committee Chairmanship(s)/Membership(s)			Particulars of Directorships in other Listed Entities	
		*Directorships	#Chairmanship	#Membership	Name of the Company	Category of Directorship
Mr. Shailesh S. Shah (DIN:00006154)	Promoter, Managing Director	2	0	0	0	-
Mr. Maikal Bhupendra Raorani (DIN: 00037831)	Whole Time Director & CFO	2	0	2	0	-
Mr. Sharad Suryakant Shah (DIN: 00006114)	Promoter, Whole Time Director	2	0	0	0	-
Mr. Gopalakrishnan Mani (DIN:10324513)	Whole Time Director	1	0	0	0	-
Mr. Amarendra Mohapatra (DIN: 03609521)	Chairperson, Independent Director	2	1	4	Yash Trading and Finance Limited	Independent Director
Mr. Lokanath S Mishra (DIN:03364948)	Independent Director	1	2	2	0	-
Mr. Nitin Arvind Oza (DIN: 03198502)	Independent Director	5	3	4	1.Nutricircle Limited 2.Deccan Bearings Limited 3.Suncity Synthetics Limited 4.RRP Semiconductor Limited	Independent Director

Name of Directors	Category	No. of Other Directorships and Committee Chairmanship(s)/Membership(s)			Particulars of Directorships in other Listed Entities	
		*Directorships	#Chairmanship	#Membership	Name of the Company	Category of Directorship
Mrs. Sanghamitra Sarangi (DIN: 08536750)	Independent Director	4	0	7	1.Suncity Synthetics Limited 2.Nutricircle Limited 3.RRP Semiconductor Limited	Independent Director

Notes:

- While considering the total number of directorships, directorships in foreign companies and companies incorporated under Section 8 of the Act 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 the Act and Regulation 26 of the SEBI Listing Regulations.

Board Meetings

The Board Meeting is conducted at least once in every quarter to discuss the performance of the Company and its Quarterly Financial Results, along with other matters regarding the Company. The Board also meets to consider other business(es), whenever required, from time to time. Agenda of the business(es) to be transacted at the Board Meeting along with explanatory notes thereto are drafted and circulated well in advance to the Board of Directors of the Company.

The Company always ensures that the Board members are presented with all the relevant information on vital matters affecting the working of the Company including the information as inter-alia specified under Part A of Schedule II of Regulation 17(7) of the SEBI Listing Regulations. Every Board Member is free to suggest the inclusion of any item on the agenda and hold due discussions thereto.

Meetings held during the financial year 2024-25

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

Board Meeting Dates	May 21, 2024	August 14, 2024	September 19,2024	November 14, 2024	December 09, 2024	February 04, 2025
Mode of Meeting	Through Video-Conferencing					

The attendance of each Director at the Board Meeting and the last Annual General Meeting is given thereunder:

Name of Directors	Particulars of attendance for the Board Meetings		Attendance for last AGM held on 18th July, 2024
	Meetings held during the Director's tenure	Board Meetings Attended	
Mr. Shailesh S. Shah (DIN:00006154)	6	6	☑
Mr. Maikal Bhupendra Raorani (DIN:00037831)	6	6	☑
Mr. Sharad Suryakant Shah (DIN: 00006114)	6	6	☑
Mr. Gopalakrishnan Mani (DIN:10324513)	6	6	☑
Mr. Amarendra Mohapatra (DIN: 03609521)	6	6	☑
Mr. Lokanath S Mishra (DIN:03364948)	6	6	☑
Mr. Nitin Arvind Oza (DIN: 03198502)	6	6	☑
Mrs. Sanghamitra Sarangi (DIN: 08536750)	6	6	☑

Independent Directors

The term “Independent Director” is defined under Section 149 of the Act and the applicable rules, as well as Regulation 16(1)(b) of the SEBI Listing Regulations. In accordance with Section 149(7) of the Act, all Independent Directors have submitted declarations confirming that they meet the independence criteria laid out in Section 149(6) of the Act and the SEBI Listing Regulations. Based on these declarations, the Board has reviewed and verified their authenticity and confirms that the Independent Directors meet all requirements of independence and are fully compliant with the provisions of the Act and SEBI Listing Regulations.

Additionally, all Independent Directors have affirmed that there are no existing or foreseeable circumstances that could impact their status as Independent Directors or hinder their ability to effectively perform their duties. They are also in compliance with the limit on the number of independent directorships as prescribed under Regulation 17A of the SEBI Listing Regulations.

For the financial year ended March 31, 2025, there were no resignations from Independent Directors on the Board. Furthermore, all Directors have confirmed that they do not serve as members in more than 10 committees or as Chairpersons in more than 5 committees, in accordance with Regulation 26(1) of the SEBI Listing Regulations, across all companies where they hold directorships.

In line with Regulation 46 of the SEBI Listing Regulations, the terms and conditions of appointment of Independent Directors are publicly accessible on the Company’s website at www.skycorp.in.

Familiarisation Programmes

At the time of appointment, the Independent Directors are made aware of their roles and responsibilities through a formal letter of appointment which stipulates various terms and conditions. At Board and Committee meetings, the Independent Directors are regularly familiarised on the business model, strategies, operations, functions, policies and procedures of the Company and its Subsidiaries. All Directors attend the familiarisation programmes as these are scheduled to coincide with the Board meeting calendar.

The details of such programmes for familiarization of Independent Directors with the Company are available at the website of the Company at the web link https://skycorp.in/wp-content/uploads/2025/04/Familiarization_-_Programme-24-25.pdf

Matrix Setting Out the Skills/Expertise/Competence of the Board of Directors

The Board of Directors of the Company plays a pivotal role in guiding the strategic direction and ensuring the effective governance of the organization. In order to fulfil its responsibilities and maintain a high standard of corporate oversight, the Board continually assesses the collective skills and competencies required in the context of the Company’s evolving business landscape, sectoral challenges, and regulatory requirements.

In compliance with Regulation 34(3) and Schedule V of the SEBI Listing Regulations, the Board has identified a set of core skills, expertise, and competencies that are necessary for the effective functioning of the Company. These attributes are currently available among the Board members, who bring diverse professional experiences and a strong commitment to ethical governance and strategic excellence.

The identified skills reflect the nature of the industry, the Company’s strategic priorities, and the dynamic global business environment in which it operates. The Board regularly reviews these skills to ensure continued alignment with emerging trends, risks, and stakeholder expectations.

Business	Understanding of business dynamics, across various geographical markets, industry verticals and regulatory jurisdictions.
Leadership	Extended Leadership experience for a significant enterprise, resulting in a practical understanding of organizations, processes, strategic planning and risk management. Demonstrated strengths in developing talent, planning succession and driving change and long term growth.
Strategy and Planning	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.
Governance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long term effective stakeholder engagements and driving corporate ethics and values.
Financial	Leadership of a financial firm or management of the finance function of an enterprise, resulting in proficiency in complex financial management, capital allocation and financial reporting processes or experience in actively supervising a principle financial officer, principle accounting officer, controller, public accountant, auditor or person performing similar function.
Sales & Marketing	Experience in developing strategies to grow sales and market share, build awareness and equity and enhance enterprise reputation.

In terms of requirement of SEBI Listing Regulations, the Board has identified the following core skills / expertise / competencies of the Directors in the context of the Company's business for effective functioning as follows:

Name of the Director	Area of Expertise					
	Business	Leadership	Strategy and Planning	Governance	Financial	Sales & Marketing
Mr. Shailesh S Shah	✓	✓	✓	✓	✓	✓
Mr. Maikal Bhupendra Raorani	✓	✓	✓	✓	✓	
Mr. Sharad Suryakant Shah	✓	✓	✓			✓
Mr. Gopalakrishnan Mani	✓	✓	✓			✓
Mr. Amarendra Mohapatra		✓	✓	✓	✓	
Mr. Lokanath S Mishra		✓	✓	✓	✓	✓
Mr. Nitin Arvind Oza	✓	✓		✓	✓	✓
Mrs. Sanghamitra Sarangi		✓	✓	✓	✓	

Committees of Board of Directors

The mandatory Committees constituted by the Board of Directors of the Company are as under:

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Corporate Social Responsibility Committee;
4. Stakeholder's Relationship Committee.

The composition of all the mandatory Committees meets the requirements of the Act and the SEBI Listing Regulations.

The details of the role and composition of the Committees of the Board including the number of meetings held during the Financial Year under review and attendance thereat, are provided below.

Audit Committee

The terms of reference of the Audit Committee satisfy the requirement of Section 177 of the Act read with Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 18 of SEBI Listing Regulations.

The Audit Committee assists the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The Chairman of the Committee is financially literate and all other members of the Audit Committee have accounting or related financial management expertise.

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 Act;
 - 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 issue or rights issue or preferential issue or qualified institutions placement], 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 chief internal auditor shall be subject to review by the audit committee;
- 5) Statement of deviations;
 - a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1);
 - b) Annual statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice in terms of Regulation 32(7).

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

Composition, Meetings and Attendance

During the Financial year 2024-25, 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 21, 2024	August 14, 2024	November 14, 2024	February 04, 2025
			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 35th Annual General Meeting held on July 18, 2024.

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 SEBI Listing Regulations, it consists of Three (3) Non-Executive Independent Directors as on March 31, 2025. 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:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- 1A. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance skills, knowledge and experience on the Board and

on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the committee may:

- a) Use the services of an external agencies, if required
 - b) Consider candidates from a wide range of backgrounds, having due regard to diversity;and
 - c) Consider the time commitments of the candidates.
2. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
 3. Devising a policy on diversity of board of directors;
 4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
 5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
 6. Recommend to the board, all remuneration, in whatever form, payable to senior management.

Composition, Meetings and Attendance

During the Financial Year 2024–25 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 21, 2024	August 14, 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	✓	✓

Performance evaluation criteria for Independent Directors

Pursuant to the provisions of Section 134(3)(p) of the Act read with the SEBI Listing Regulations, the Nomination and Remuneration Committee carried out the annual performance evaluation of the Directors individually including the Chairman and the Board evaluated the overall effectiveness of the Board of Directors including its Committees based on the ratings given by the Nomination & Remuneration Committee of the Company.

The performance evaluation of the Independent Non-Executive Directors was carried out by the entire Board on the criteria and framework adopted by Board (the concerned Director being evaluated did not participate). On the basis of ranking filled in the evaluation questionnaire and discussion of the Board, the Directors have expressed their satisfaction on the performance of the Independent Non-Executive Directors.

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, 2025. 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.

Composition, Meetings and Attendance

During the Financial Year 2024–25 the Stakeholders Relationship Committee met once. 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 Date	February 04, 2025
		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	✓
Mrs. Sanghamitra Sarangi (Member)	Independent Director	1	✓
Mr. Maikal Bhupendra Raorani (Member)	Whole Time Director & Chief Financial Officer	1	✓

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: +022 22 6713 7900
- Email: corporate@skycorp.in
- <https://skycorp.in/>

Status of investors' complaints as on March 31, 2025

During the year, zero (0) Complaints were received through the SCORES portal of SEBI. No request for Share Transfer or Dematerialisation was pending for approval as on March 31, 2025.

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	0
No. of Investor complaints disposed off	0
No. of Investor complaints unresolved	0

Particulars of Senior Management and Changes Therein Since the Close of Previous Financial Year

Sr. 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* (up to August 21, 2024)	Manager Sales
5.	Mr. Ajay Kumar* (up to June 11, 2024)	DGM HR/IR
6.	Mr. George Punnoose	General Manager-Exports
7.	Mrs. Saloni Dedhia	Manager - Business Strategy
8.	Ms. 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

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 Act, 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;
4. To do such other acts, deeds and things as may be required to comply with the applicable laws;
5. To perform such other activities as may be delegated by the Board or specified/ provided under the Act or by the SEBI Listing Regulations or statutorily prescribed under any other law or by any other regulatory authority.

Composition, Meetings and Attendance

During the Financial Year 2024–25 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 meeting is given below –

Name of Members	Category	Meeting Dates	June 24, 2024
		Mode of Meeting	Physical Meeting at the Conference Room of the Corporate Office of the Company
No of Meetings attended			
Mr. Lokanath S Mishra (Chairperson)	Independent Director	1	✓
Mr. Amarendra Mohapatra (Member)	Independent Director	1	✓
Mr. Maikal Bhupendra 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 2024-25

During the Financial Year 2024-25, the Company contributed Rs. 10,00,000 on CSR. There is an excess of Rs. 85,882 that can be written off in the ensuing Financial Years.

7. Remuneration of Directors

A. Policy on Remuneration

At Sky Industries Limited, our people are central to our success. We consider our human capital as one of our most valuable assets. Accordingly, our remuneration framework is designed to ensure fair, transparent, and competitive compensation for Directors, senior management, and employees across all levels.

Our remuneration strategy is focused on:

- Attracting and retaining top talent,
- Recognizing and rewarding performance, and
- Aligning individual goals with the Company's long-term vision and objectives.

No loans or advances were made to any Directors during the financial year 2024–25.

The Nomination and Remuneration Policy outlines the guiding principles and is accessible to all stakeholders through the Company's official website at: https://skycorp.in/wp-content/uploads/2022/10/Nomination-and-Remuneration-Policy-NRC_SKY.pdf

B. Remuneration to Independent Directors

Independent Directors are compensated solely through sitting fees for attending Board and Committee meetings. In order to maintain independence, no performance-linked incentives or stock options are extended to Independent Directors.

The total amount of sitting fees paid to Independent Directors for the financial year ended March 31, 2025 was Rs. 2.30 lakhs
(In lakhs)

Name of the Director	Sitting Fees	Commission	Total	Shareholding
Mr. Amarendra Mohapatra	0.50	-	0.50	-
Mr. Lokanath S Mishra	0.60	-	0.60	-
Mr. Nitin Arvind Oza	0.60	-	0.60	-
Mrs. Sanghamitra Sarangi	0.60	-	0.60	-

There are no pecuniary relationships or transactions between the Non-Executive Directors and the Company that require disclosure under applicable regulations.

C. Remuneration to Executive Director

The remuneration of the Managing Director and Whole-Time Directors is governed by applicable provisions of the Companies Act, 2013, relevant rules, SEBI regulations, and shareholder approvals. It includes a combination of fixed pay, allowances, and retirement benefits. No performance-linked incentives were paid during FY 2024–25.

The Nomination and Remuneration Committee recommends the structure and components of executive remuneration based on Company policies and regulatory guidelines.

(in lakhs)

Name of the Director	Basic Salary	Benefits, Perquisites and Allowances (includes payment in lieu of pension)	Commission, Bonus and Performance Linked Incentive Remuneration	Retirement Benefits
Mr. Shailesh S. Shah	30	30		
Mr. Maikal Bhupendra Raorani	6	23.10		0.90
Mr. Sharad Suryakant Shah	6	30		
Mr. Gopalakrishnan Mani	3.60	16.40		

- 1) Comprises contribution to Provident Fund and National Pension System ('NPS') as per the Rules of the Company.
- 2) During the Financial Year 2024-25, no performance linked incentives were paid to the directors of the Company.

Equity Shares/ Employee Stock Option (ESOPs) of the Company held by the Whole Time Directors of the Company are as follows:

Name of the Director	Number of Equity shares held		Number of ESOPs held (unexercised and unvested)	
	As on March 31, 2024	As on March 31, 2025	As on March 31, 2024	As on March 31, 2025
Mr. Shailesh S. Shah	27,80,623	27,80,623	-	-
Mr. Maikal Bhupendra Raorani	42,300	42,300	-	25,000
Mr. Sharad Suryakant Shah	11,62,043	11,62,043	-	-
Mr. Gopalakrishnan Mani	Nil	Nil	Nil	10,000 (Lapsed)

- 1) Mr. Shailesh S. Shah and Mr. Sharad Suryakant Shah, being promoters, were not granted ESOPs.
- 2) Mr. Maikal Raorani, Whole Time Director and CFO was granted 25,000 Stock Options on August 14, 2024.
- 3) Mr. Gopalakrishnan Mani, Whole Time Director was granted 10,000 Stock Options on August 14, 2024 but did not accept them; hence, the options lapsed.
- 4) Stock options, if accepted, would be exercisable at the face value of Rs. 10 per option and exercisable within 3 years from vesting.

Service Contract, Notice Period and severance Fee

- The term of appointment for Executive Directors is **three years**, subject to retirement by rotation as per the Companies Act, 2013.
- The notice period for termination is 180 days from either side.
- No severance fee is payable on termination of appointment.

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
33rd	2021-2022	Thursday, June 30, 2022 11:00 a.m.	Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")	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. 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. C) Re-appointment of Mr. Maikal Bhupendra 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.
34th	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.
35th	2023-24	Thursday, July 18, 2024 11:00 a.m.	Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")	A) Re-appointment of Mrs. Sanghamitra Sarangi (DIN: 08536750), 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 2024-25 i.e. the year under review.

C) Details of resolutions passed by way of postal ballot

There is currently no proposal to pass any resolution by way of postal ballot. None of the matters scheduled for consideration at the upcoming Annual General Meeting require approval through a postal ballot process.

D) 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 HYPERLINK “<http://www.skycorp.in>” 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.

E. Details of special resolution proposed to be transacted through postal ballot

No special resolution is proposed to be transacted at an ensuing AGM which requires passing of such special resolution through postal ballot.

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 under the Act 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 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	36 th Annual General Meeting through Video Conferencing/ Other Audio-Visual Means (VC/ OAVM facility) [Deemed Venue for the meeting: Registered Office: Plot No. C-58, T.T.C. Industrial Area, Thane Belapur Road, Pawane, Navi Mumbai – 400705]
b) Financial Year	April to March
c) Record Date	June 27, 2025 (before 7 working days)
d) Dividend Payment Date	On or before Sunday, July 03, 2025. 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.
j) Listing fees	The Annual Listing fees for the financial year 2025-26 has been paid to BSE Limited.
k) Share Registrar and Transfer Agents	MUFG Intime India Private Limited (formerly known as 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 E-Mail ID: rnt.helpdesk@in.mpms.mufg.com Link to register shareholder queries or service requests: https://web.in.mpms.mufg.com/helpdesk/Service_Request.html
l) Company Secretary & Compliance officer	Ms. Priyal Ruparelia

n) Share Transfer System

Pursuant to the directive of the Securities and Exchange Board of India (SEBI), physical transfer of shares has been dispensed with. In reference to SEBI Circular dated January 25, 2022, the security holder/ claimant shall submit duly filled up Form ISR-4 for processing of service request related to transmission, transposition, consolidation/sub-division/endorsement of share certificate, issue of duplicate share certificate along with requisite documents. The Company/RTA shall issue letter of confirmation after processing the service requests which shall be valid for a period of 120 days from the date of its issuance, within which the securities holder/claimant shall make a request to the Depository Participant for dematerializing the said securities. The Form ISR-4 is available on the website of the Company and can be downloaded from <https://skycorp.in/downloads/>

o) Shareholding Pattern (Equity) as on March 31, 2025

	No. of Shares	% Equity
Promoter	45,84,916	58.11
Non Resident Indian	1,40,504	1.78
Public	28,69,057	36.36
Body Corporate	1,41,985	1.80
Others	1,54,079	1.95
Total	78,90,541	100

q) Distribution of Shareholding as on March 31, 2025

Sr. No	Shareholding of Shares	Number of Shareholders	% of Total Shareholders	Shares	% of Total Share Capital
1	1 to 500	4378	86.7962	500573	6.3440
2	501 to 1000	308	6.1063	243800	3.0898
3	1001 to 2000	188	3.7272	278422	3.5286
4	2001 to 3000	47	0.9318	115978	1.4698
5	3001 to 4000	27	0.5353	97249	1.2325
6	4001 to 5000	24	0.4758	111351	1.4112
7	5001 to 10000	32	0.6344	237258	3.0069
8	10001 and above	40	0.793	6305910	79.9173

r) Dematerialization of Shares and Liquidity

96.81% 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, 2025 under **ISIN No: INE765B01018**

Particulars	NSDL	CDSL	Physical	Total
Shares	5564495	2074300	251746	7890541
Shares (%)	70.52%	26.29%	3.19	100

s) Outstanding GDRs/ ADRs/ Warrants or any convertible instruments

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

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

Since the Company is involved in export, it faces risks related to exchange rate fluctuations. Effective planning and strategic measures help protect the Company's interests amid volatility in foreign exchange rates and commodity prices. The Company has not entered into any commodity hedging activities. The details of currency risk have 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 Pin 421302
- Survey No. 2217/1, (Old Survey 2105 before promulgation and pre to it No. 84/2 to 12/paikee1), Khattalwada, Tal.: Umbergaon, Dist: Valsad, Gujarat-39612 (Note: The Manufacturing Activities in the above mentioned address are yet to begin)

v) List of all credit rating

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

Long Term Rating	CRISIL BBB-/Stable
Short Term Rating	CRISIL A3

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, 2024	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, 2025	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/wp-content/uploads/RPT_Policy_SKY.pdf

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 2024-25 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 2024-25.

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	2024-25 (in lakhs)
Audit fees (including quarterly audits)	7.5
For other services (certifications, etc.)	0.33
For taxation matters	1.35
For reimbursement of expenses	0
Total	9.18

- 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, 2025.
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 **Sky Industries Limited**

Date : May 24, 2025
Place : Mumbai

Sd/-
Shailesh S Shah
Managing Director
DIN:00006154

Sd/-
Maikal Bhupendra Raorani
Whole Time Director & CFO
DIN:00037831

CODE OF CONDUCT OF DECLARATION

In terms of Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the affirmations provided by the Directors and Senior Management Personnel of the Company to whom Code of Conduct is made applicable, it is declared that the Board of Directors and the Senior Management Personnel have complied with the Code of Conduct for the year ended March 31, 2025.

For **Sky Industries Limited**

Place: Mumbai
Date: May 24, 2025

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, 2025 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 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,**

Ramesh Mishra

Membership No.: 5477

CP No.: 3987

PR No. 1133/2021

UDIN: F005477G000430110

Place : Mumbai
 Date : May 24, 2025

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, 2025 as.

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

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

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

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

For **Ramesh Chandra Mishra & Associates,**

Ramesh Mishra

Practicing Company Secretary

Membership No.: 5477

CP No.: 3987

PR No. 1133/2021

UDIN: F005477G000430198

Place : Mumbai
Date : May 24, 2025

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 2025, 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, 2025, 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 2025 is 32.47% 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 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2025 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, 2025 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 year ended 31st March, 2025 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

For **CGCA & Associates LLP**
Chartered Accountants
 Firm Regn No : 123393W / W100755

Place : Mumbai
 Date : 24th May, 2025

Champak K. Dedhia
 Partner
 Membership No: 101769
 UDIN: 25101769BMLXFG8557

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 2025, 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 Rs. 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-24	Stock	1,803.43	1,518.94	(284.50)	Stock-in-transit was inadvertently excluded at the time of submission to bank
	Debtors	1,318.62	1,300.18	(18.44)	
	Creditors	953.44	774.15	(179.29)	The vendor list generated from the system inadvertently reflected balances net of advances. As a result, the net amounts were reported to the bank.
Sep-24	Stock	2,154.19	1,740.74	(413.45)	Stock-in-transit was inadvertently excluded at the time of submission to bank
	Debtors	1,256.04	1,234.19	(21.85)	
	Creditors	1,276.92	956.53	(320.39)	The vendor list generated from the system inadvertently reflected balances net of advances. As a result, the net amounts were reported to the bank.

Quarter Ended	Particulars	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of Difference	Reason For Material Discrepancies
Dec-24	Stock	2,289.28	2,258.71	(30.58)	
	Debtors	1,217.45	1,214.81	(2.65)	
	Creditors	1,021.46	1,205.87	184.41	Balances pertaining to Letter of Credits were inadvertently included in the Creditors list at the time of submission to bank
Mar-25	Stock	2,121.41	2,322.41	201.00	
	Debtors	1,043.70	1,043.59	(0.11)	
	Creditors	501.12	960.61	459.48	Balances pertaining to Letter of Credits were inadvertently included in the Creditors list at the time of submission to bank

- iii. a. 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 granted loans to related party, companies:

Particulars	Amount given during the year (in lakhs)	Balance outstanding at the end of the year (in lakhs)
Subsidiary		
-Skytech Textiles Private Limited	172.05	-

- b. Based on the information and explanation provided to us by the management and in our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.
- c. In respect of loans granted by the Company, they are repayable on demand and are not overdue. The payment of principal and interest from the said parties are regular in nature.
- d. No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- 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, 2025, for a period of more than six months from the date they become payable except the following:

(Rs. In Lakhs)

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 2025 on account of disputes are given below:

(Rs. In Lakhs)

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	53.30	Various Years	High Court Of Bombay
Income Tax Act, 1961	Tax Deducted at Source	0.60	Various Years	TDS CPC

- 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:
- The Company has not defaulted in the repayment of loans or borrowings or in the payment of interest during the year.
 - The Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.
 - The Company has applied the term loans for the purpose for which they were obtained.
 - We report that funds raised on short term basis has not been utilized for long term purposes.
 - 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:**
- 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.
 - The Company has not made any preferential allotment or private placement of shares or convertible debentures during the year, hence clause 3(x)(b) of the Order is not applicable.
- 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:**
- 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.
 - 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.
 - 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:
- In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
 - 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.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **CGCA & Associates LLP**
Chartered Accountants
Firm Regn No : 123393W / W100755

Place : Mumbai
Date : 24th May, 2025

Champak K. Dedhia
Partner
Membership No: 101769
UDIN: 25101769BMLXFG8557

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 2025 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 2025, 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 judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial controls with reference to 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

Place : Mumbai
Date : 24th May, 2025

Champak K. Dedhia

Partner

Membership No: 101769
UDIN: 25101769BMLXFG8557

Standalone Balance Sheet as at 31st March 2025

(All amount in Rupees lakhs, unless otherwise stated)

Particulars	Note	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
Property, plant and equipment	3	1,026.91	1,043.79
Capital work-in-progress	3A	762.75	20.81
Other Intangible assets	3B	5.22	0.44
Intangible assets under development	3C	31.54	20.37
Right-of-use assets	3D	7.66	53.64
Financial assets			
Investments	4A	737.50	561.31
Loans	5	-	42.53
Other financial asset	6	29.65	35.71
Other non-current assets	7	4.34	4.34
Total Non-current assets (I)		2,605.21	1,782.96
Current assets			
Inventories	8	2,121.41	1,994.41
Financial assets			
Investments	4B	0	264.31
Trade receivables	9	1,044.11	1,199.89
Cash and cash equivalents	10	47.13	42.86
Bank balances other than cash and cash equivalents	11	173.07	488.66
Other financial asset	12	42.28	25.50
Other current assets	13	500.75	470.33
Total Current assets (II)		3,928.75	4,485.98
Total Assets (I + II)		6,533.96	6,268.93
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	789.05	789.05
Other equity	15	3,766.39	3,242.22
Total Equity (I)		4,555.44	4,031.28
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	16	58.04	4.58
Lease liabilities	3D	-	9.19
Other financial liabilities	17	9.00	1.75
Provisions	18	28.12	9.98
Deferred Tax Liabilities (Net)	19	73.98	86.30
Total Non-current liabilities (II)		169.14	111.80
Current liabilities			
Financial liabilities			
Borrowings	20	1,108.61	1,216.35
Lease liabilities	3D	9.19	50.80
Trade payables	21		
Total outstanding dues of micro enterprises and small enterprises		35.14	22.32
Total outstanding dues of creditors other than micro enterprises and small enterprises		416.96	603.65
Other financial liabilities	22	21.54	19.24
Other current liabilities	23	126.44	146.23
Provisions	24	91.49	67.25
Total Current liabilities (III)		1,809.37	2,125.85
Total Equity and Liabilities (I + II + III)		6,533.96	6,268.93

The accompanying notes are an integral part of these standalone financial statements
This is the standalone balance sheet referred to in our report of even date

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: 24th May, 2025
UDIN: 25101769BMLXFG8557

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

Shailesh Shah
Managing Director
DIN: 00006154

Maikal Roarani
Director & CFO
DIN: 00037831

Sharad Shah
Whole Time Director
DIN: 00006114

Priyal Ruparelia
Company Secretary
ICSI M. No. A71040

Statement of Profit and Loss for the year ended 31st March 2025

(All amount in Rupees lakhs, unless otherwise stated)

Particulars	Note	Year ended 31 March 2025	Year ended 31 March 2024
Income			
Revenue from operations	25	8,267.18	8,246.49
Other income	26	146.90	151.61
Total Income		8,414.09	8,398.10
Expenses			
Cost of materials consumed	27	4,710.22	4,854.87
Purchase of Stock In Trade		248.64	376.26
Changes in inventories of finished goods	28	250.48	339.68
Employee benefits expenses	29	714.17	587.51
Finance costs	30	103.01	128.55
Depreciation and amortisation expense	31	178.43	174.48
Other expenses	32	1,391.86	1,326.80
Total Expenses		7,596.81	7,788.15
Profit before exceptional items and tax		817.27	609.96
Profit before tax		817.27	609.96
Tax expense / (credit)	45		
- Current tax		214.52	143.67
- Adjustments/ (Credit) related to previous years - (net)		0.21	(0.84)
- Deferred tax		(9.35)	(0.36)
		205.38	142.47
Profit after tax		611.89	467.48
Other comprehensive income (OCI)			
Items that will not be reclassified to profit and loss			
(i) Re-measurement of gains on defined benefit plans		(11.79)	5.17
(ii) Income tax related to above		2.97	(1.30)
Other comprehensive income for the year (net of tax)		(8.82)	3.87
Total comprehensive income for the year		603.07	471.36
Earnings per equity share:	36		
Basic and diluted (in Rs.)		7.75	5.92
Face value per share (in Rs.)		10	10

The accompanying notes are an integral part of these standalone financial statements
This is the standalone Profit and Loss referred to in our report of even date

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: 24th May, 2025
UDIN: 25101769BMLXFG8557

For and on behalf of the Board of Directors

Sky Industries Limited
CIN: L17120MH1989PLC052645

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Managing Director
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Director & CFO
DIN: 00037831

Sharad Shah
Whole Time Director
DIN: 00006114

Priyal Ruparelia
Company Secretary
ICSI M. No. A71040

Standalone Statement of Cash Flow for the year ended 31st March 2025

(All amount in Rupees lakhs, unless otherwise stated)

	Particulars	Year ended 31 March 2025	Year ended 31 March 2024
A	Cash flow from operating activities		
	Net Profit before tax	817.27	609.96
	Adjustments to reconcile profit before tax to net cash flows:		
	Add: Depreciation of property, plant and equipment	178.43	174.48
	Add: Interest expense and other finance cost	103.01	128.55
	Add: Share based expense	-	1.72
	Less: Interest income	(17.67)	(5.76)
	Less: Interest on Income Tax refund	-	(0.65)
	Less: Interest on financial asset carried at cost	(1.04)	(2.07)
	Less: Unrealised gain on investments classified through Fair Value through Profit and Loss	(53.62)	(90.56)
	Less: Realised gain on investments classified through Fair Value through Profit and Loss	-	(6.58)
		209.09	199.13
	Operating Profit Before Changes in Working Capital	1,026.37	809.09
	Adjustment for Changes in Working Capital		
	(Increase) / Decrease in Trade Receivables	155.78	28.24
	(Increase) / Decrease in Inventories	(127.00)	185.98
	(Increase) / Decrease in Other Non - Current Financial Assets	7.10	(3.07)
	(Increase) / Decrease in Other Current Financial Assets	16.78	0.03
	(Increase) / Decrease in Other Current Assets	(30.42)	(1.83)
	Increase / (Decrease) in Trade Payables	(173.87)	(5.69)
	Increase / (Decrease) in Other Current Financial Liabilities	2.30	3.95
	Increase / (Decrease) in Other Current Liabilities	(19.79)	9.45
	Increase / (Decrease) in Non Current Provisions	18.15	(1.93)
	Increase / (Decrease) in Non Current Liabilities	7.25	-
	Increase / (Decrease) in Current Provisions	1.86	34.00
		(175.43)	249.13
	Cash Generated from Operations	850.94	1,058.22
	Less: Taxes Paid (Net of refund received)	(204.15)	(124.55)
	Net cash used in operating activities	646.79	933.67
B	Cash flow from investing activities		
	Purchase of property, plant and equipment / intangible assets (including capital work-in-progress)	(873.45)	(146.17)
	Purchase of Investments	(282.96)	(88.27)
	Sale of Investments	425.06	45.77
	Interest Received	17.67	5.76
	Loan given	42.53	(42.53)
	Movement in other bank balances	315.59	(388.71)
	Net cash generated from / (used in) investing activities	(355.55)	(614.15)

	Particulars	Year ended 31 March 2025	Year ended 31 March 2024
C	Cash flow from financing activities		
	Repayment of long term borrowings	53.46	(28.67)
	Repayment of Lease Liability	(53.97)	(51.40)
	Increase/ (Decrease) in Working Capital facility	(107.72)	(26.38)
	Proceeds from issue of shares and share warrants	-	3.07
	Dividend paid	(78.91)	(78.91)
	Finance Cost	(99.84)	(121.36)
	Net cash generated from financing activities	(286.97)	(303.64)
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	4.27	15.87
	Opening balance of cash and cash equivalents	42.86	26.99
	Closing balance of cash and cash equivalents	47.13	42.86
	Components of cash and cash equivalents:		
	Balances with banks in current accounts	41.88	30.35
	Cash on hand	5.25	12.51
	Cash and cash equivalents as per financial statements (Refer note 10)	47.13	42.86

The accompanying notes are an integral part of these standalone financial statements
This is the standalone Cash Flow referred to in our report of even date

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: 24th May, 2025
UDIN: 25101769BMLXFG8557

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

Shailesh Shah
Managing Director
DIN: 00006154

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Director & CFO
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 31st March 2025

(All amount in Rupees lakhs, unless otherwise stated)

1 CORPORATE INFORMATION

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

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

2 BASIS OF PREPARATION, MEASUREMENT AND 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’).

The Standalone financial statements are approved for issue by the Board of Directors on 24th May, 2025.

(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

The Company derives revenues primarily from sale of manufactured goods, traded goods and related services.

Revenue from contracts with customers is recognised when control of the goods is transferred to the customer on satisfaction of performance obligations. The performance obligations as per contracts with customers are fulfilled at the time of dispatch or delivery of goods depending upon the terms agreed with customer. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods before transferring them to the customer. 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 is net of variable consideration on account of trade discounts and rebates offered by the Company as part of the contract. Amounts disclosed as revenue are net of returns and allowances. The Company collects goods and services tax on behalf of the government and therefore, these are not economic benefits flowing to the Company. Hence, these are excluded from the revenue.

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 incentive income is recognised post-export, based on entitlements under prevailing schemes. It is recognised in the year of exports when it is highly probable that no significant reversal will occur. Estimated rates are used at initial recognition and differences on actual receipt are adjusted when known.

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 of direct issue costs.

b) Financial liabilities :- Classification

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

c) Initial recognition and measurement:

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

d) Derecognition

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

III. Fair Value

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

- a) **Level 1** : The fair value of financial instruments quoted in active markets is based on their quoted closing price at the balance sheet date. Examples include exchange traded commodity derivatives and other financial instruments in equity and debt securities which are listed in a recognised stock exchange.
- b) **Level 2** : The fair value of financial instruments that are not traded in active markets is determined by using valuation techniques using observable market data. Such valuation techniques include discounted cash flows, standard valuation models based on market parameters for interest rates, yield curves or foreign exchange rates,

dealer quotes for similar instruments and use of comparable arm's length transactions. For example, the fair value of forward exchange contracts, currency swaps and interest rate swaps is determined by discounting estimated future cash flows using a risk-free interest rate.

- c) **Level 3** : The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs).

2.9 INVENTORIES

Inventories are valued at the lower of cost and net realisable value. Cost includes all costs of purchase, conversion costs, and other costs incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price in the ordinary course of business, less the estimated costs of completion and the costs necessary to make the sale.

Cost is determined using the weighted average cost method or specific identification, as applicable.

a) Raw Material

Cost includes purchase price, taxes (other than recoverable taxes), freight, and other directly attributable expenses. Valued using the moving weighted average cost method. Raw materials are not written down below cost if the related finished goods are expected to be sold at or above cost. However, a write-down is made when a decline in the price of raw materials indicates that the cost of finished goods exceeds their net realisable value.

b) Work-in-Progress (WIP)

Valued at cost, including cost of raw materials, direct labour, and a proportion of manufacturing overheads based on the stage of completion. Cost is determined using the moving weighted average basis.

c) Finished Goods

Include cost of raw materials, conversion costs (direct labour, manufacturing overheads) and packing materials. Valued at the lower of cost of production and net realisable value

d) Stock-in-Trade

Valued at cost or net realisable value, whichever is lower, using the moving weighted average or specific identification method, as applicable.

e) Goods-in-Transit

Valued at cost, including directly attributable costs incurred up to the reporting date.

f) Stores and Spares

Valued at weighted average cost, including all incidental procurement costs.

Due allowance is made for obsolete, slow-moving and defective inventories based on periodic evaluation of the usability and marketability of such items

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

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2025, which amend Ind AS 21, The Effects of Changes in Foreign Exchange Rates. These amendments are effective for annual reporting periods beginning on or after 1st April 2025.

The Company has evaluated these amendments and the same will not have any impact on its financial statements.

3 Property, plant and equipment

(All amount in Rupees lakhs, unless otherwise stated)

Particulars	Leasehold Land	Factory Buildings	Plant and Machinery	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
Gross block								
Balance as at 1st April 2023	41.33	236.05	1,094.77	62.87	105.58	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
Additions	-	-	34.78	22.59	44.65	3.80	9.43	115.24
Disposals / adjustments	-	-	-	-	-	-	-	-
Balance as at 31 March 2025	41.33	236.05	1,225.87	105.02	150.23	44.45	40.32	1,843.24
Accumulated depreciation and amortisation								
Balance as at 1st April 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
Depreciation charge	0.52	12.28	88.26	9.18	12.75	2.31	6.81	132.13
Reversal on disposals / adjustments	-	-	-	-	-	-	-	-
Balance as at 31 March 2025	5.07	86.22	550.20	43.81	67.73	36.41	26.89	816.33
Net block								
Balance as at 31 March 2024	36.78	162.11	729.15	47.80	50.61	6.55	10.82	1,043.79
Balance as at 31 March 2025	36.26	149.82	675.67	61.21	82.50	8.04	13.43	1,026.91

(All amount in Rupees lakhs, unless otherwise stated)

3A Capital work-in-progress

Particulars	Land	Factory Buildings	Plant & Machinery	Total
Gross block				
Balance as at 1st April 2023	-	16.76	-	16.76
Additions	-		4.05	4.05
Disposals / adjustments		-	-	-
Balance as at 31 March 2024	-	16.76	4.05	20.81
Additions	729.03	16.96	-	745.99
Disposals / adjustments		-	(4.05)	(4.05)
Balance as at 31 March 2025	729.03	33.72	-	762.75

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 2025					
Projects in progress	745.99	-	-	16.76	762.75
Projects temporarily suspended	-	-	-	-	-
TOTAL	745.99	-	-	16.76	762.75

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

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 2025				
Projects in progress	16.76	-	-	-
Projects temporarily suspended	-	-	-	-
TOTAL	16.76	-	-	-

3B Other Intangible assets

Particulars	Software Licenses	Total
Balance as at 1st April 2023	2.48	2.48
Additions	-	-
Disposals / adjustments	-	-
Balance as at 31 March 2024	2.48	2.48
Additions	5.10	5.10
Disposals / adjustments	-	-
Balance as at 31 March 2025	7.57	7.57
Accumulated amortisation		
Balance as at 1st April 2023	1.73	1.73
Amortisation charge	0.31	0.31

Particulars	Software Licenses	Total
Reversal on disposals / adjustments	-	-
Balance as at 31 March 2024	2.04	2.04
Amortisation charge	0.32	0.32
Reversal on disposals / adjustments		
Balance as at 31 March 2025	2.35	2.35
Net block		
Balance as at 31 March 2024	0.44	0.44
Balance as at 31 March 2025	5.22	5.22

3C Intangible assets under development

Particulars	Software Licenses	Total
Gross block		
Balance as at 1st April 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
Additions	15.37	15.37
Transfer from CWIP	(4.20)	(4.20)
Disposals / adjustments	-	-
Balance as at 31 March 2025	31.54	31.54

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 2025					
Projects in progress	11.17	13.65	6.72	-	31.54
Projects temporarily suspended	-	-	-	-	-
TOTAL	11.17	13.65	6.72	-	31.54

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	6.72	-	-	20.37

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.

(All amount in Rupees lakhs, unless otherwise stated)

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

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Balance at the beginning of the year	53.64	99.63
Add: Additions	-	-
Less: Depreciation	(45.98)	(45.98)
Less: Reduction on Termination of contract	-	-
Balance at the end of the year	7.66	53.64

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

Particulars	As at 31 March 2025	As at 31 March 2024
i) Balance at the beginning of the year	59.99	104.20
Add : Additions	-	-
Add: Accretion of interest	3.18	7.18
Less: Payments	(53.97)	(51.40)
Balance at the end of the year	9.19	59.99
ii) Details of contractual maturities of lease liabilities on undiscounted basis		
Less than one year	9.29	53.97
One to two years	-	9.29
Two to five years	-	-
More than five years	-	-
Total	9.29	63.26
iii) Break-up of lease liabilities on discounted basis		
Lease liabilities (current)	9.19	50.80
Lease liabilities (non-current)	-	9.19
TOTAL	9.19	59.99

(c) Amount recognised in statement of profit and loss

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Depreciation expense of right of use assets (Refer note 31)	45.98	45.98
Interest expense on lease liabilities	3.18	7.18
Rent expense relating to short-term lease (Refer note 32)	70.03	66.19
TOTAL	119.19	119.35

(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.

(All amount in Rupees lakhs, unless otherwise stated)

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

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of units	Amount	No. of units	Amount
Investments in equity instruments (Unquoted and fully paid up)				
Investments in Subsidiary (at cost)	19,99,600	199.96	9,998	1.00
Investment in equity oriented mutual funds (at fair value through profit and loss)	12,05,649	537.19	17,52,926	560.31
TOTAL		737.15		561.31
Aggregate value/ market value of quoted investments	-	-	-	-
Aggregate value/ market value of unquoted investments	32,05,249	737.15	17,62,924	561.31
Aggregate amount of impairment in value of investments	-	-	-	-
TOTAL		737.15		561.31

4B Financial Assets - Investments (Current)

Particulars	As at 31 March 2025		As at 31 March 2024	
	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)	-	-	7,46,874	264.31
TOTAL	-	-	7,46,874	264.31
Aggregate amount of unquoted investments - At fair value through profit and loss	-	-	7,46,874	264.31
Aggregate value/ market value of quoted investments	-	-	-	-
Aggregate value/ market value of unquoted investments	-	-	7,46,874	264.31
Aggregate amount of impairment in value of investments	-	-	-	-
TOTAL	-	-	7,46,874	264.31

5 Financial Assets - Loans (Non-Current)

Particulars	As at 31 March 2025	As at 31 March 2024
[Unsecured, considered good]		
Loan given to Subsidiary	-	42.53
TOTAL	-	42.53

6 Financial Assets - Others (Non-Current)

Particulars	As at 31 March 2025	As at 31 March 2024
[Unsecured, considered good]		
Security deposits	29.65	35.71
TOTAL	29.65	35.71

7 Non Current Tax Assets (Net)

Particulars	As at 31 March 2025	As at 31 March 2024
Income Tax Asset (Net of Provision)	4.34	4.34
TOTAL	4.34	4.34

(All amount in Rupees lakhs, unless otherwise stated)

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

Particulars	As at 31 March 2025	As at 31 March 2024
Raw Materials	1,121.05	742.46
Work in Progress	233.64	199.67
Finished Goods	734.24	1,018.70
Packing Materials	32.47	33.59
TOTAL	2,121.41	1,994.41

9 Trade receivables

Particulars	As at 31 March 2025	As at 31 March 2024
Unsecured, considered good	1,071.23	1,229.99
Less: Allowances for expected credit losses	(27.12)	(30.10)
	1,044.11	1,199.89
Trade receivables - Credit Impaired	-	-
Less: Allowances for expected credit losses	-	-
TOTAL	1,044.11	1,199.89

Note:

- Above trade receivables includes NIL (Rs 137.15 Lakhs) receivable from related parties. For details refer Note no 41.
- Refer Note - 39 for information about credit risk of trade receivables.
- Refer Note - 42 for trade receivables ageing details.

10 Cash and cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
Balances with banks in current accounts	41.88	30.35
Cash on hand	5.25	12.51
TOTAL	47.13	42.86

11 Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
Unpaid Dividend Account (Refer note i. Below)	21.55	19.24
Margin Money with Banks (Refer note ii. Below)	151.53	469.42
TOTAL	173.07	488.66

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 Bank.

12 Financial Assets - Others (Current)

Particulars	As at 31 March 2025	As at 31 March 2024
[Unsecured, considered good]		
Security deposits	42.28	42.28
TOTAL	42.28	42.28

(All amount in Rupees lakhs, unless otherwise stated)

13 Other current assets

Particulars	As at 31 March 2025	As at 31 March 2024
Advances other than capital advances		
Advance to employees	40.98	31.81
Advance to suppliers / expenses	156.03	36.79
Others		
Balance with government authorities	234.34	325.49
Export incentive receivable	45.39	57.17
Prepaid expenses	24.02	19.07
TOTAL	500.75	470.33

14 Equity share capital

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of shares	Amount	No. of shares	Amount
Authorised share capital				
Equity Shares of Rs. 10/- each	15,000,000	1,500.00	15,000,000	1,500.00
Redeemable Preference Shares of Rs. 100/- each	500,000	500.00	500,000	500.00
Total Authorized Share Capital	15,500,000	2,000.00	15,500,000	2,000.00
Issued, subscribed and fully paid up shares				
Equity shares of Rs. 10 each	7,890,541	789.05	7,890,541	789.05
Total issued, subscribed and paid up share capital	7,890,541	789.05	7,890,541	789.05

a) Issued during the previous year:

- (i) During the FY 2023-24 company has allotted 30,700 shares pursuant to the exercise of the options by the eligible employees under the ESOP Plan 2018

b) Reconciliation of the number of shares outstanding :

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of Shares	Amount	No. of Shares	Amount
Shares at the beginning of the year	7,890,541	789.05	7,859,841	785.98
Add: Issued during the year (refer note (a) above)	-	-	30,700	3.07
Less: Shares bought back during the year	-	-	-	-
Shares at the end of the year	7,890,541	789.05	7,890,541	78,905,410.00

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 2025		As at 31 March 2024	
	No. of Shares	%	No. of Shares	%
Shailesh Shah	2,780,623	35.24%	2,780,623	35.24%
Sharad Shah	1,162,043	14.73%	1,162,043	14.73%
Saloni Dedhia	474,400	6.01%	474,400	6.01%
Harini Narendra Dedhia	530,000	6.72%	530,000	6.72%
Skay Finvest Pvt Ltd *	163,500	2.07%	163,500	2.07%
Total	5,110,566	64.77%	5,110,566	64.77%

* Beneficial ownership is of Shailesh Shah

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

As at 31 March 2025

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Shailesh S. Shah	2,780,623	-	2,780,623	35.24%	0.00%
Sharad S. Shah	1,162,043	-	1,162,043	14.73%	0.00%
Saloni Dedhia	474,400	-	474,400	6.01%	0.00%
Sangita Shailesh Shah	4,350	-	4,350	0.06%	0.00%
Sky Finvest Private Limited	163,500	-	163,500	2.07%	0.00%
Total	4,584,916	-	4,584,916	58.11%	0.00%

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	2,780,623	-	2,780,623	35.24%	-0.14%
Sharad S. Shah	1,162,043	-	1,162,043	14.73%	-0.06%
Saloni Dedhia	474,400	-	474,400	6.01%	-0.02%
Sangita Shailesh Shah	4,350	-	4,350	0.06%	0.00%
Sky Finvest Private Limited	163,500	-	163,500	2.07%	-0.01%
Total	4,584,916	-	4,584,916	58.11%	-0.23%

15 Other Equity

Particulars	No. of shares	Amount
As at 01 April 2023	7,859,841	785.98
Changes in equity share capital	30,700	3.07
As at 31 March 2024	7,890,541	789.05
As at 01 April 2024	7,890,541	789.05
Changes in equity share capital	-	-
As at 31 March 2025	7,890,541	789.05

Other equity

Particulars	Securities Premium	General Reserve	Retained Earnings	Share Warrants	Share options outstanding account	Total
Opening balance as at 1 April 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	-	-	467.48	-	-	467.48
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)	-
Employee stock option plan expenses	-	-	-	-	1.72	1.72
Dividend paid for the FY 2022-23	-	-	(78.91)	-	-	(78.91)

Particulars	Securities Premium	General Reserve	Retained Earnings	Share Warrants	Share options outstanding account	Total
Closing balance as at 31 March 2024	738.53	98.46	2,405.23	-	(0.00)	3,242.22
Opening balance as at 1 April 2024	738.53	98.46	2,405.23	-	(0.00)	3,242.22
Transactions during the year						
Total comprehensive income for the year						
Profit for the year	-	-	611.89			611.89
Remeasurements gains on defined benefit plans	-	-	(8.82)			(8.82)
Transactions with owners in their capacity as owners						
Issue of equity shares on exercise of Employee Stock Options	-	-	-	-	-	-
Share based payment expenses	-	-		-	-	-
Dividend paid for the FY 2023-24			(78.91)			(78.91)
Closing balance as at 31 March 2025	738.53	98.46	2,929.39	-	(0.00)	3,766.39

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 35

15a Dividends Paid / Proposed during the year

Particulars	As at 31 March 2025	As at 31 March 2024
Corporate dividend paid during the year		
Dividend Paid	78.91	78.91
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 2025	As at 31 March 2024
Secured		
Term Loans - Banks	58.04	4.58
TOTAL	58.04	4.58

(All amount in Rupees lakhs, unless otherwise stated)

Notes :-**A Term Loans :**

- i. Term loan from HDFC Bank Ltd. aggregating to Rs. 2.44 Lakhs (Previous year Rs. 5.85 Lakhs) carries interest rate @ 8.35 % p.a. repayable in 60 equated monthly installments of Rs. 0.31 Lakhs each.
- ii. Term loan from HDFC Bank Ltd. aggregating to Rs. 2.14 Lakhs (Previous year Rs. 5.57 Lakhs) carries interest rate @ 8.35 % p.a. repayable in 60 equated monthly installments of Rs. 0.31 Lakhs each.
- iii. Term loan from Kotak Mahindra Prime Ltd. aggregating to Rs 12.33 Lakhs (Previous year Rs. 0) carries interest rate @ 9.07% p.a. repayable in 60 equated monthly installments of Rs. 0.25 Lakhs each.
- iv. Term loan from Union Bank of India aggregating to Rs 28.74 Lakhs (Previous year Rs. 0) carries interest rate @ 8.65 % p.a. repayable in 60 equated monthly installments of Rs. 0.60 Lakhs each.
- v. Term loan from Union Bank of India aggregating to Rs 28.74 Lakhs (Previous year Rs. 0) carries interest rate @ 8.65 % p.a. repayable in 60 equated monthly installments of Rs. 0.60 Lakhs each.
- vi. Emergency Credit Line Guarantee Scheme (ECLGS) loan from Kotak Mahindra Bank Ltd. aggregating to Nil (Previous year Rs. 27.27 lakh) 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.

17 Other Financial Liabilities (Non-Current)

Particulars	As at 31 March 2025	As at 31 March 2024
Trade deposits from customers	9.00	1.75
TOTAL	9.00	1.75

18 Provisions (non-current)

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits		
Gratuity	26.05	8.01
Compensated absences	2.07	1.97
TOTAL	28.12	9.98

19 Deferred tax liabilities (Net)

Particulars	As at 31 March 2025	As at 31 March 2024
Deferred tax liability on account of :		
Depreciation and amortisation	83.66	86.89
Investment in mutual funds	21.98	24.78
	105.64	111.67
Deferred tax assets on account of :		
Provision for Bad Debts	6.83	7.58
Provision for Employee Benefit Expenses	8.85	3.89
Provision for temporary difference	15.99	13.90
Deferred tax liabilities (net)	73.98	86.30

(All amount in Rupees lakhs, unless otherwise stated)

20 Borrowings (current)

Particulars	As at 31 March 2025	As at 31 March 2024
Secured		
Loans repayable on demand (Refer Note 20.1, 20.2 & 20.3 below)	1,092.25	1,179.43
Current Maturities of Long Term Debt - Bank	16.36	36.29
Current Maturities of Long Term Debt - Non Banking Financial Company	-	0.63
TOTAL	1,108.61	1,216.35

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.

Note 20.4: Quarterly statements of current assets filed by the Company with banks, details of which are summarised as **Annexure A**.

21 Trade payables

Particulars	As at 31 March 2025	As at 31 March 2024
Due to Micro and Small Enterprises (Refer Note Below)	35.14	22.32
Total outstanding dues of creditors other than micro enterprises and small enterprises - related parties (Refer note 43)	416.96	603.65
TOTAL	452.10	625.97

Note:

The identification of Micro and Small 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, 2025 and March 31, 2024 is as under:

Particulars	As at 31 March 2025	As at 31 March 2024
- Dues remaining unpaid to any supplier Principal	35.14	22.32
- 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	35.14	22.32

22 Other financial liabilities (current)

Particulars	As at 31 March 2025	As at 31 March 2024
Unclaimed Dividend*	21.55	19.24
TOTAL	21.55	19.24

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

(All amount in Rupees lakhs, unless otherwise stated)

23 Other current liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Advance received from Customers	28.14	60.68
Statutory Dues	44.30	44.29
Other Payables *	53.99	41.26
TOTAL	126.44	146.23

* Includes related party balances of Rs 11.38 Lakhs (Previous year Rs. 19.88 Lakhs)

24 Provisions (current)

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits		
Compensated absences	0.30	0.84
Others Provision		
Provision for Tax (Net of Taxes Paid)	5.41	5.17
Provision for Expenses	85.78	61.24
TOTAL	91.49	67.25

25 Revenue from operations

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Revenue from Contract with Customers		
Sale of Products	8,176.90	8,161.44
Sale of Services	17.74	23.98
Other operating revenues		
Export Incentives	51.61	40.56
Scrap Sales	20.94	20.52
TOTAL	8,267.18	8,246.49

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 2025	Year ended 31 March 2024
Revenue from contracts with customers disaggregated based on geography		
Domestic Market	6,514.31	6,917.35
Exports	1,680.33	1,268.06
TOTAL	8,194.64	8,185.42

25b Assets and liabilities related to contracts with customers

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
The following table provides information about receivables, contract assets and contract liabilities from contracts with customers		
Trade receivables	1,044.11	1,199.89
Unbilled receivables	-	-
Contract assets	-	-
Contract liabilities	28.14	60.68

(All amount in Rupees lakhs, unless otherwise stated)

26 Other income

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
(a) Interest income		
Interest income on financial assets measured at amortised cost:		
On Security Deposits	1.04	2.07
On Fixed Deposits	17.67	5.76
Interest on income tax refund	-	0.65
(b) Other non-operating income		
Liabilities no longer payable written back	5.79	1.65
Miscellaneous income	0.70	2.01
Insurance Claim	13.91	-
Impairment Allowance for doubtful debts	2.98	-
(c) Other gains and losses		
Net gain arising on financial assets measured at FVTPL*	53.62	97.14
Net gain on foreign currency transaction	51.19	42.33
TOTAL	146.90	151.61

Notes:

* Includes gain on sale of financial assets measured at FVTPL for 0 (Previous year - 6.58 lakhs)

27 Cost of materials consumed

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Raw materials and packing materials consumed		
Opening stock	776.05	622.35
Add: Purchases	5,087.69	5,008.57
Less : Closing stock	(1,153.52)	(776.05)
TOTAL	4,710.22	4,854.87

28 Changes in inventories of finished goods and stock in trade

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Opening stocks:		
Finished goods	1,018.70	1,233.06
Work in progress	199.67	324.98
	1,218.36	1,558.04
Less : Closing stock		
Finished goods	734.24	1,018.70
Work in progress	233.64	199.67
	967.88	1,218.36
Net change in inventories	250.48	339.68

Inventories are valued at lower of cost or net realizable value. Refer note 2.9 of Significant Accounting Policies

29 Employee benefits expense

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Salaries, Wages and Bonus	510.53	396.93
Directors remuneration	147.81	144.04
Contribution to provident and other funds (Refer note 40)	10.74	8.50
Gratuity expenses (Refer note 40)	6.25	6.24
Share based payment expenses (Refer note 35)	-	1.72
Staff welfare expenses	38.84	30.10
	714.17	587.51

(All amount in Rupees lakhs, unless otherwise stated)

30 Finance costs

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Interest expenses on:		
Borrowings	98.91	125.16
Others (Including interest on delay payment of statutory dues and vendors)	4.10	3.39
TOTAL	103.01	128.55

31 Depreciation and amortisation expense

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Depreciation on property, plant and equipment (Refer Note 3)	132.13	128.20
Amortisation of intangible assets (Refer Note 3B)	0.32	0.31
Depreciation on Right of use of Assets (Refer Note 3C)	45.98	45.98
TOTAL	178.43	174.48

32 Other expenses

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Power, Fuel and Utilities	226.89	216.42
Labour charges	467.05	431.00
Lease rent	70.03	66.19
Rates and taxes	16.98	54.00
Repairs & Maintenance on :		
Building	3.28	-
Plant and Machinery	23.47	10.37
Other Repairs	30.80	30.32
Insurance	11.86	8.85
Legal and Professional Fees	132.07	80.95
Directors Sitting Fee	2.30	2.00
Freight Forwarding Charges	141.54	130.06
Travelling and Conveyance	134.57	116.75
Payment to Auditors (refer note below)	8.58	7.76
Expenditure incurred for Corporate Social Responsibility (Refer note no 44)	10.46	7.50
Advertisement & Sales Promotion expenses	29.41	19.92
Bad Debt Written off	-	23.11
Less: Withdrawn from provision for doubtful debts	-	(10.14)
Impairment Allowance for doubtful debts	-	30.10
Postage, Telephone & Courier	15.91	21.83
Printing & Stationery	13.75	13.42
Miscellaneous expenses	52.92	66.41
TOTAL	1,391.86	1,326.80

Break up of Payment to Auditors

Particulars		
Audit Fees	7.20	6.60
Tax Matters	1.05	0.85
Other Services	0.33	0.31
Total	8.58	7.76

(All amount in Rupees lakhs, unless otherwise stated)

33 Contingent liabilities and capital commitments

	Particulars	As at 31 March 2025	As at 31 March 2024
(i)	Contingent Liabilities:		
(a)	Property Tax towards Navi Mumbai Municipal Corporation of various years	53.30	53.30
(b)	Tax deducted at source payable	0.60	3.21
(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. Thus, the amount of contingent liability reported is without considering the amount of interest
- (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 Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	As at 31 March 2025	As at 31 March 2024
Capital commitments	265.13	-
Less: Capital advances paid	79.43	-
Net Capital commitments	185.70	-

35 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

Particulars	ESOP Plan 2018	ESOP Plan 2018
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 2025		Year ended 31 March 2024	
	Numbers of options	Weighted average exercise price	Numbers of options	Weighted average exercise price
Balance at beginning of year	-	-	30,700	10.00
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	(30,700)	-
Expired during the year	-	-	-	10.00
Balance at the end of the year	-	-	-	10.00
Exercisable at the end of the year	-	-	-	10.00

(iii) The vesting pattern of the ESOP has been provided as below:

Particulars Year of vesting	Number of options	
	ESOP Plan 2018	Total
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	-	-

(iv) Fair value of options granted

The fair value at grant date is determined using the Black-Scholes model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Particulars	ESOP Plan 2018
Grant date	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.

(All amount in Rupees lakhs, unless otherwise stated)

(v) Share based payment expenses / Share options outstanding account arising from employee share-based payment plans

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Share based payment expenses*	-	1.72
Share options outstanding account	-	-

*Including for KMPs

Share based payment expenses	Year ended 31 March 2025	Year ended 31 March 2024
Maikal Rorani	-	0.27
Vaibhav Desai	-	0.22

36 Earnings per share

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Net profit attributable to equity shareholders	611.89	467.48
Weighted average number of equity shares outstanding during the year - Basic	7,890,541	7,890,541
Weighted average number of equity shares outstanding during the year - Diluted (Refer note a below)	7,890,541	7,890,541
Basic profit per share (in Rs.)	7.75	5.92
Diluted profit per share (in Rs.)	7.75	5.92
Face value of share (in Rs.)	10	10

(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 35

37 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 2025	As at 31 March 2024
Adjusted net debt	946.45	425.10
Adjusted equity	4,555.44	4,031.28
Net debt to equity ratio	0.21	0.11
Borrowings		
Non-current borrowings	58.04	4.58
Current borrowings	1,108.61	1,216.35
Gross debt	1,166.65	1,220.93
Less : Cash and bank balances including liquid funds		
Current Investment in Mutual Fund	-	(264.31)
Cash and cash equivalents	(47.13)	(42.86)
Bank balances other than cash and cash equivalents	(173.07)	(488.66)
Adjusted net debt	946.45	425.10
Total equity as per balance sheet	4,555.44	4,031.28
Adjusted equity	4,555.44	4,031.28

(All amount in Rupees lakhs, unless otherwise stated)

38 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 2025	As at 31 March 2024
Financial assets		
Measured at fair value through profit and loss		
Investment in mutual funds	537.19	824.62
	537.19	824.62
Measured at amortised cost		
Investment in subsidiary	199.96	1.00
Trade receivables	1,044.11	1,199.89
Cash and cash equivalents	47.13	42.86
Bank balances other than cash and cash equivalents	173.07	488.66
Loans	-	42.53
Other financial assets	71.93	61.21
	1,536.21	1,836.17
	2,073.39	2,660.78
Financial liabilities		
Measured at amortised cost		
Borrowings	1,166.65	1,220.93
Lease liabilities	9.19	59.99
Trade payables	452.10	625.97
Other financial liabilities	30.54	20.99
	1,658.48	1,927.88

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.

(All amount in Rupees lakhs, unless otherwise stated)

- (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 2025	As at 31 March 2024
Financial assets		
Level 1		
Investments in mutual funds units	537.19	824.62
TOTAL	537.19	824.62

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.

39 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 exposes 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 2025	As at 31 March 2024
Variable-rate instruments		
Financial Liabilities - Borrowings	1,092.25	1,179.43
TOTAL	1,092.25	1,179.43

(All amount in Rupees lakhs, unless otherwise stated)

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 2025		As at 31 March 2024	
	1% increase	1% decrease	1% increase	1% decrease
Financial Liabilities - Borrowings	(10.92)	10.92	(11.79)	11.79
Total	(10.92)	10.92	(11.79)	11.79

Financial Instrument	Increase / (Decrease) in Equity, net of tax			
	As at 31 March 2025		As at 31 March 2024	
	1% increase	1% decrease	1% increase	1% decrease
Financial Liabilities - Borrowings	(8.17)	8.17	(8.83)	8.83
Total	(8.17)	8.17	(8.83)	8.83

(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 2025, the investments in mutual fund (at market value) amounts to Rs. 537.19 Lakhs (31st March, 2024 : Rs.824.62 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 2025		As at 31 March 2024	
	3% increase	3% decrease	3% increase	3% decrease
Investment in Mutual Funds	16.12	(16.12)	24.74	(24.74)
Total	16.12	(16.12)	24.74	(24.74)

(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:

in foreign currency

Particulars	Foreign Currency	As at 31 March 2025	As at 31 March 2024
Financial Assets			
Trade receivables	USD	85,999	1,43,357
	EURO	3,066	-
Financial Liabilities			
Trade payables	USD	6,18,221	4,40,148

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 2025		As at 31 March 2024	
	5% increase	5% Decrease	5% increase	5% Decrease
USD	(22.77)	22.77	(12.37)	12.37
EURO	0.14	(0.14)	-	-
Total	(22.63)	22.63	(12.37)	12.37

(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:

(All amount in Rupees lakhs, unless otherwise stated)

Particulars	As at 31 March 2025	As at 31 March 2024
Opening balance of expected loss provision	30.10	10.14
Add : Provisions made / (reversed)	(2.98)	30.10
Less : Utilisation for impairment / de-recognition / write-off	-	(10.14)
Closing balance	(27.12)	(30.10)

Also refer note no. 42 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, 2025 and 31st March 2024 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 2025		As at 31 March 2024	
	Less than 12 months	More than 12 months	Less than 12 months	More than 12 months
Long Term Borrowings	22.13	69.65	37.55	4.72
Working Capital Loans from Banks	1,092.25	-	1,179.43	-
Trade Payables	452.10	-	625.97	-
Lease liabilities	9.29	-	53.97	9.29
Other Financial Liabilities	21.54	9.00	19.24	1.75
Total	1,597.31	78.65	1,916.16	15.76

(All amount in Rupees lakhs, unless otherwise stated)

40 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, 2025 and March 31, 2024.

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

Sr. No.	Particulars	31st March 2025	31st March 2024
I	Components of Employer Expenses		
	Current Service Cost	6.39	6.39
	Interest Cost	(0.14)	(0.15)
	Actuarial (Gain)/Loss	11.79	(5.17)
	Total Expenses/(Gain) recognized in the Profit & Loss Account	18.05	1.07
II	Net Asset/ (Liability) recognized in Balance Sheet		
	Present value of Funded Obligation	55.90	36.86
	Fair Value of Plan Assets	29.85	28.85
	Assets/(Liability) recognized in the Balance Sheet	26.05	8.01

Sr. No.	Particulars	As at 31 March 2025	As at 31 March 2024
III	Change in Defined Benefit Obligations (DBO)		
	Opening Balance of Present Value of Obligation	8.01	6.94
	Current Service Cost	6.39	6.39
	Interest Cost	(0.14)	(0.15)
	Actuarial (Gain)/Loss	11.79	(5.17)
	Contribution Paid	-	-
	Closing Balance of Present Value of Obligation	26.05	8.01
IV	Changes in the Fair Value of Plan Assets		
	Opening Balance of Fair Value of Plan assets of Obligation	28.85	30.00
	Expected Return on Plan Assets	(0.13)	(0.90)
	Interest Income	1.98	2.07
	Actuarial Gain/(Loss)	-	-
	Contribution by Employer	-	-
	Benefit Paid	(0.85)	(2.32)
	Fair Value of Plan Assets as at 31st March	29.85	28.85

	Mortality	31st March 2025	31st March 2024
		IALM (2012-14) Ult	IALM (2012-14) Ult
V	Actuarial Assumption		
	Discount Rate (Per Annum)	6.61%	6.97%
	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 2025	As at 31 March 2024
	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 2025	As at 31 March 2024
VII	Movement in net liability recognized in Balance Sheet		
	Net Opening Liability	8.01	6.94
	Contribution paid	-	-
	Other Comprehensive income	11.79	(5.17)
	P & L Charges / (Income)	6.25	6.24
	Closing Net Liability	26.05	8.01

	Particulars	As at 31 March 2025		As at 31 March 2024	
		Increase	Decrease	Increase	Decrease
VIII	Gratuity Liability - Sensitivity Analysis				
	Salary Growth Rate (1% movement)	57.82	54.22	38.28	35.61
	Discount Rate (1% movement)	54.22	57.84	35.62	38.29

(A) The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the method (Projected Unit Credit Method) used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

(B) Leave obligations

The leave obligations cover the Company's liability for sick and earned leave. The amount of the provision of 2.37 lakhs (31 March 2024 2.81 lakhs)

(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. 10.74 Lakhs (Previous year Rs. 8.50 Lakhs)

41 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 Subsidiary Company:

Skytech Textiles Private Limited [Holding - 99.98% (99.80%)]

B Enterprise in which Key Managerial Personnel and their relatives have significant Influence :

S. K. Ultratech Machines Private Limited

Cricketnco Apparels Private Limited (ceased with effect from 28th March, 2025)

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

i. Executive Directors :

Mr. Shailesh Shah

Mr. Sharad Shah

Mr. Maikal Raorani

Mr. Gopalakrishnan Mani (Appointed by the company w.e.f 10th November, 2023)

Mr. Vaibhav Desai (ceased with effect from 9th November, 2023)

ii. Independent Directors :

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

iii. Company Secretary:

Ms. Priyal Ruparelia

iv. Relatives of Key Managerial Personnel :

Mrs. Saloni Dedhia

Particulars	Subsidiary Company		Enterprise in which Key Managerial Personnel and their relatives have significant Influence		Key Managerial Personnel / persons exercising significant influence & their relatives		Total	Total
	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024
TRANSACTIONS								
PURCHASES								
Purchase of Services								
S. K. Ultratech Machines Private Limited	-	-	18.17	6.96	-	-	18.17	6.96
Purchase of Goods								
Skytech Textiles Private Limited	23.20	3.47	-	-	-	-	23.20	3.47
Cricketnco Apparels Private Limited	-	-	-	16.99	-	-	-	16.99
S. K. Ultratech Machines Private Limited	-	-	9.38	2.07	-	-	9.38	2.07
Total	23.20	3.47	27.55	26.02	-	-	50.75	29.49
SALES								
Cricketnco Apparels Private Limited	-	-	-	3.01	-	-	-	3.01
Skytech Textiles Private Limited	7.60	107.24	-	-	-	-	7.60	107.24
Total	7.60	107.24	-	3.01	-	-	7.60	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	-	10.45
Maikal Raorani	-	-	-	-	29.10	29.10	29.10	29.10
M. Gopalakrishnan	-	-	-	-	21.95	7.72	21.95	7.72
REMUNERATION TO COMPANY SECRETARY*								
Priyal Ruparelia	-	-	-	-	8.02	6.11	8.02	6.11
Total	-	-	-	-	155.08	149.37	155.08	149.37
LOAN GIVEN								
Skytech Textiles Private Limited	172.05	41.55	-	-	-	-	172.05	41.55
Total	172.05	41.55	-	-	-	-	172.05	41.55
INTEREST INCOME								
Skytech Textiles Private Limited	7.35	1.09	-	-	-	-	7.35	1.09
Total	7.35	1.09	-	-	-	-	7.35	1.09

Particulars	Subsidiary Company		Enterprise in which Key Managerial Personnel and their relatives have significant Influence		Key Managerial Personnel / persons exercising significant influence & their relatives		Total	Total
	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024
INVESTMENT								
Skytech Textiles Private Limited	198.96	1.00	-	-	-	-	198.96	1.00
Total	198.96	1.00	-	-	-	-	198.96	1.00
SITTING FEES								
Amarendra Mohapatra	-	-	-	-	0.50	0.50	0.50	0.50
Sanghamitra Sarangi	-	-	-	-	0.60	0.50	0.60	0.50
Lokanath Mishara	-	-	-	-	0.60	0.50	0.60	0.50
Nitin Arvind Oza	-	-	-	-	0.60	0.50	0.60	0.50
Total	-	-	-	-	2.30	2.00	2.30	2.00
SALARY								
Saloni Shah	-	-	-	-	22.59	18.09	22.59	18.09
Total	-	-	-	-	22.59	18.09	22.59	18.09
SHARES ISSUED								
Vaibhav Desai	-	-	-	-	-	0.40	-	0.40
Maikal Raorani	-	-	-	-	-	0.48	-	0.48
Total	-	-	-	-	-	0.88	-	0.88

Particulars	Subsidiary Company		Enterprise in which Key Managerial Personnel and their relatives have significant Influence		Key Managerial Personnel / persons exercising significant influence & their relatives		Total	Total
	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024
OUTSTANDING BALANCES								
TRADE PAYABLES								
Skytech Textiles Private Limited (Payable)	-	3.47	-	-	-	-	-	3.47
S. K. Ultratech Machines Private Limited	-	-	8.94	4.64	-	-	8.94	4.64
TRADE RECEIVABLE								
Skytech Textiles Private Limited (Receivable)	-	107.19	-	-	-	-	-	107.19
Cricketnco Apparels Private Limited	-	-	-	76.53	-	-	-	76.53
LOAN GIVEN								
Skytech Textiles Private Limited (Loan)	-	42.53	-	-	-	-	-	42.53
Total	-	153.20	8.94	81.17	-	-	8.94	234.37
REMUNERATION / SALARY PAYABLE								
Shailesh Shah	-	-	-	-	3.84	7.00	3.84	7.00
Sharad Shah	-	-	-	-	2.41	4.50	2.41	4.50
Vaibhav Desai	-	-	-	-	-	1.32	-	1.32
Maikal Raorani	-	-	-	-	1.94	2.21	1.94	2.21

Particulars	Subsidiary Company		Enterprise in which Key Managerial Personnel and their relatives have significant Influence		Key Managerial Personnel / persons exercising significant influence & their relatives		Total	Total
	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024
M. Gopalakrishnan	-	-	-	-	1.58	1.39	1.58	1.39
Saloni Dedhia	-	-	-	-	0.98	1.80	0.98	1.80
Priyal Ruparelia	-	-	-	-	0.63	1.18	0.63	1.18
Total	-	-	-	-	11.38	19.40	11.38	19.40

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
- * 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.

42 Ageing for Trade Receivables outstanding as at March 31, 2025 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	633.73	367.84	27.33	16.02	1.68	24.64	1,071.23
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	-	-	-	-	-	-	-
	633.73	367.84	27.33	16.02	1.68	24.64	1,071.23
Less: Allowance for doubtful trade receivables							(27.12)
TOTAL							1,044.11

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

43 Ageing for trade payables outstanding as at March 31, 2025 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 of micro enterprises and small enterprises	35.14	-	-	-	35.14
Total outstanding dues of creditors other than micro enterprises and small enterprises	369.10	1.21	-	46.65	416.96
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
TOTAL	404.24	1.21	-	46.65	452.10

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 of micro enterprises and small enterprises	21.26	0.68	0.38	-	22.32
Total outstanding dues of creditors other than micro enterprises and small enterprises	507.77	2.80	15.26	77.82	603.65
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
TOTAL	529.03	3.48	15.63	77.82	625.97

44 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 2025	Year ended 31 March 2024
Amount required to be spent as per Section 135 of the Companies Act, 2013	10.00	7.49
Amount of expenditure incurred		
(a) Construction/Acquisition of assets	-	-
(b) On purpose other than above (a)	10.00	7.50
Excess/(Short) amount spent under section 135(5)	(0.00)	0.01
Brought forward Opening Balance Excess/(Short)	0.87	0.86
Carried forward Closing Balance Excess/(Short)	0.87	0.87
Company has contributed the CSR amount to the charitable trust wherein the nature of CSR activities is to help the needy, poor & handicapped people & their education and other activities as prescribed under Schedule VII of The Companies Act 2013		
Details of related party transaction in relation to CSR expenditure as per relevant Accounting Standard	NA	NA

45 Components of Tax expense / (credit)

Particulars	As at 31 March 2025	As at 31 March 2024
I. Tax expense recognised in Statement of Profit & Loss		
Current tax		
Tax expense for the year	214.52	143.67
Adjustments/ (Credit) related to pervious years - (net)	0.21	(0.84)
Total current tax expense	214.73	142.83
Deferred taxes		
Change in deferred tax assets	(6.29)	(5.93)
Change in deferred tax liabilities	(6.03)	6.87
Net deferred tax expense / (credit)	(12.32)	0.94
Total tax expense / (credit)	202.41	143.77
II. Tax on other comprehensive income		
Items that will not be reclassified to Profit and Loss		
Remeasurement of the Defined Benefit Plans	(2.97)	1.30

- (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 2025	As at 31 March 2024
Profit before tax	817.27	609.96
Applicable tax rate	25.17%	25.17%
Tax using the Company's domestic tax rate	205.69	153.52
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	3.62	2.65
Effect of Income that is exempt from tax	(2.56)	(10.98)
Effect of expenses that are deductible in determining taxable profit	(2.78)	(1.88)
Others	1.33	0
Total	205.44	143.30

46 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.”

47 Analytical Ratios

Particulars	Numerator/Denominator	March 31, 2025	March 31, 2024	Change in %
(a) Current Ratio	Current Assets	2.17	2.11	2.90%
	Current Liabilities			
(b) Debt-Equity Ratio	Total Debts	0.26	0.30	-15.44%
	Equity			
(c) Debt Service Coverage Ratio	Earning available for Debt	14.77	18.01	-18.00%
	Interest + Installments			
(d) Return on Equity Ratio	Profit after Tax	14.25%	12.20%	16.85%
	Average Shareholder's Equity			
(e) Inventory turnover ratio	Total Turnover	4.02	3.95	1.69%
	Average Inventories			
(f) Trade receivables turnover ratio	Total Turnover	7.37	6.79	8.47%
	Average Account Receivable			
(g) Trade payables turnover ratio	Total Purchases	9.90	8.56	15.60%
	Average Account Payable			
(h) Net capital turnover ratio	Total Turnover	3.69	3.61	2.28%
	Net Working Capital			
(i) Net profit ratio	Net Profit	7.40%	5.67%	30.56%
	Total Turnover			
(j) Return on Capital employed	Net Profit	15.88%	13.83%	14.78%
	Capital Employed			
(k) Return on investment	Return on Investment	7.88%	12.86%	-38.77%
	Total Investment			

Notes:

(i) Net profit ratio	Variance is due to increase in operational profit margins during the current financial year as compared to previous financials
(k) Return on investment	Variance is on due to less returns on investments measured at fair value through profit and loss as compared to previous reporting period.

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

Particulars	Amount given during the year (in lakhs)	Balance outstanding at the end of the year (in lakhs)
Subsidiary:		
Skytech Textiles Private Limited	172.05	-

- (ii) The Company has made investments in its subsidiary and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.
- (iii) In respect of loans granted by the Company, they are repayable on demand and are not overdue. The payment of principal and interest from the said parties are regular in nature.
- (iv) No loan was granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties

- 49 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**.

50 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.

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

The accompanying notes are an integral part of these standalone financial statements

This is the summary of the significant accounting policies and other explanatory information referred to in our report of even date

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: 24th May, 2025
UDIN: 25101769BMLXFG8557

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

Shailesh Shah
Managing Director
DIN: 00006154

Maikal Roarani
Director & CFO
DIN: 00037831

Sharad Shah
Whole Time Director
DIN: 00006114

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-24	Stock	1,803.43	1,518.94	(284.50)	Stock-in-transit was inadvertently excluded at the time of submission to bank
	Debtors	1,318.62	1,300.18	(18.44)	-
	Creditors	953.44	774.15	(179.29)	The vendor list generated from the system inadvertently reflected balances net of advances. As a result, the net amounts were reported to the bank.
Sep-24	Stock	2,154.19	1,740.74	(413.45)	Stock-in-transit was inadvertently excluded at the time of submission to bank
	Debtors	1,256.04	1,234.19	(21.85)	-
	Creditors	1,276.92	956.53	(320.39)	The vendor list generated from the system inadvertently reflected balances net of advances. As a result, the net amounts were reported to the bank.
Dec-24	Stock	2,289.28	2,258.71	(30.58)	-
	Debtors	1,217.45	1,214.81	(2.65)	-
	Creditors	1,021.46	1,205.87	184.41	Balances pertaining to Letter of Credits were inadvertently included in the Creditors list at the time of submission to bank
Mar-25	Stock	2,121.41	2,322.41	201.00	-
	Debtors	1,043.70	1,043.59	(0.11)	-
	Creditors	501.12	960.61	459.48	Balances pertaining to Letter of Credits were inadvertently included in the Creditors list at the time of submission to bank

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 2025, 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, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March, 2025, 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 The net carrying value of inventory as on 31st March 2025 is 33.73 % 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

1. 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.
2. As required by Section 143(3) of the Act, based on our audit ,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 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;
 - (c) 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;
 - (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 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2025 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, 2025 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 year ended 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.

For CGCA& Associates LLP

Chartered Accountants

Firm Regn No : 123393W / W100755

Champak K. Dedhia

Partner

Membership No: 101769

UDIN: 25101769BMLXFH7431

Place: Mumbai

Date: 24th May, 2025

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, 2025, 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 2025, 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

Membership No: 101769

UDIN: 25101769BMLXFH7431

Place: Mumbai

Date: 24th May, 2025

Consolidated Balance Sheet As At 31st March 2025

(All amount in Rupees lakhs, unless otherwise stated)

Particulars	Note	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
Property, plant and equipment	3	1,071.74	1,091.86
Capital work-in-progress	3A	762.75	20.81
Other Intangible assets	3B	5.22	0.44
Intangible assets under development	3C	31.54	20.37
Right-of-use assets	3D	7.66	53.64
Financial assets			
Investments	4A	537.19	560.31
Other financial asset	5	29.65	35.71
Other non-current assets	6	4.34	4.34
Total Non-current assets (I)		2,450.08	1,787.48
Current assets			
Inventories	7	2,193.11	2,053.17
Financial assets			
Investments	4B	-	264.31
Trade receivables	8	1,075.29	1,090.97
Cash and cash equivalents	9	48.87	48.42
Bank balances other than cash and cash equivalents	10	173.07	488.66
Other financial asset	11	50.47	33.69
Other current assets	12	510.17	487.57
Total Current assets (II)		4,050.98	4,466.82
Total Assets (I + II)		6,501.06	6,254.30
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	789.05	789.05
Minority		0.04	0.00
Other equity	14	3,724.84	3,227.39
Total Equity (I)		4,513.93	4,016.44
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	15	58.04	4.58
Lease liabilities	3D	-	9.19
Other financial liabilities	16	9.00	1.75
Provisions	17	28.12	9.98
Deferred Tax Liabilities (Net)	18	65.52	84.57
Total Non-current liabilities (II)		160.68	110.06
Current liabilities			
Financial liabilities			
Borrowings	19	1,108.61	1,216.54
Lease liabilities	3D	9.19	50.80
Trade payables	20		
Total outstanding dues of micro enterprises and small enterprises		35.71	23.47
Total outstanding dues of creditors other than micro enterprises and small enterprises		429.93	602.19
Other financial liabilities	21	21.54	19.24
Other current liabilities	22	128.81	148.07
Provisions	23	92.65	67.55
Total Current liabilities (III)		1,826.44	2,127.79
Total Equity and Liabilities (I + II + III)		6,501.06	6,254.30

The accompanying notes are an integral part of these consolidated financial statements
This is the Consolidated Balance Sheet referred to in our report of even date

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: 24th May, 2025
UDIN: 24101769BKAJPE7703

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

Consolidated Statement of Profit and Loss for the year ended 31st March 2025

(All amount in Rupees lakhs, unless otherwise stated)

Particulars	Note	Year ended 31 March 2025	Year ended 31 March 2024
Income			
Revenue from operations	24	8,408.83	8,166.02
Other income	25	140.30	150.54
Total Income		8,549.13	8,316.56
Expenses			
Cost of materials consumed	26	4,798.01	4,847.92
Purchase of Stock In Trade		245.57	335.29
Changes in inventories of finished goods	27	271.11	305.76
Employee benefits expenses	28	735.46	594.57
Finance costs	29	103.85	128.57
Depreciation and amortisation expense	30	181.65	174.64
Other expenses	31	1,429.63	1333.82
Total Expenses		7,765.29	7720.58
Profit before exceptional items and tax		783.84	595.70
Profit before tax		783.84	595.70
Tax expense / (credit)	44		
- Current tax		214.52	143.67
- Adjustments/ (Credit) related to previous years - (net)		0.21	(0.84)
- Deferred tax		(16.08)	(2.09)
		198.66	140.74
Profit after tax		585.18	454.95
Other comprehensive income (OCI)			
Items that will not be reclassified to profit and loss			
(i) Re-measurement of gains on defined benefit plans		(11.79)	5.17
(ii) Income tax related to above		2.97	(1.30)
Other comprehensive income for the year (net of tax)		(8.82)	3.87
Total comprehensive income for the year		576.36	458.83
Profit for the year Attributable			
Owners of the Company		585.07	454.04
Non controlling interest		0.12	0.91
Other comprehensive income attributable to			
Owners of the Company		(8.82)	3.86
Non controlling interest		(0.00)	0.01
Total comprehensive income attributable to			
Owners of the Company		576.24	457.91
Non controlling interest		0.12	0.92
Earnings per equity share:	36		
Basic and diluted (in Rs.)		7.42	5.77
Face value per share (in Rs.)		10	10

The accompanying notes are an integral part of these consolidated financial statements
This is the Consolidated Statement of Profit and Loss referred to in our report of even date

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: 24th May, 2025
UDIN: 24101769BKAJPE7703

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

Consolidated Statement of Cash Flow for the year ended 31st March 2025

(All amount in Rupees lakhs, unless otherwise stated)

Particulars		Year ended 31 March 2025	Year ended 31 March 2024
A	Cash flow from operating activities		
	Net Profit before tax	783.84	595.70
	Adjustments to reconcile profit before tax to net cash flows:		
	Add: Depreciation of property, plant and equipment	181.65	174.64
	Add: Interest expense and other finance cost	103.85	128.57
	Add: Share based expense	-	1.72
	Less: Interest income	(17.68)	(6.85)
	Less: Interest on Income Tax refund	-	(0.65)
	Less: Interest on financial asset carried at cost	(1.04)	(0.98)
	Less: Unrealised gain on investments classified through Fair Value through Profit and Loss	(53.62)	(97.14)
		213.16	199.31
	Operating Profit Before Changes in Working Capital	997.00	795.00
	Adjustment for Changes in Working Capital		
	(Increase) / Decrease in Trade Receivables	15.68	137.15
	(Increase) / Decrease in Inventories	(139.94)	127.22
	(Increase) / Decrease in Other Non - Current Financial Assets	7.10	(4.16)
	(Increase) / Decrease in Other Current Financial Assets	(16.78)	(8.16)
	(Increase) / Decrease in Other Current Assets	(22.59)	(19.07)
	Increase / (Decrease) in Trade Payables	(159.83)	(5.99)
	Increase / (Decrease) in Other Current Financial Liabilities	2.30	3.96
	Increase / (Decrease) in Other Current Liabilities	(19.45)	11.29
	Increase / (Decrease) in Non Current Provisions	18.15	(1.93)
	Increase / (Decrease) in Non Current Liabilities	7.25	
	Increase / (Decrease) in Current Provisions	2.72	29.13
		(305.31)	269.44
	Cash Generated from Operations	691.69	1,064.44
	Less: Taxes Paid (Net of refund received)	(204.11)	(119.39)
	Net cash used in operating activities	487.58	945.05
B	Cash flow from investing activities		
	Purchase of property, plant and equipment / intangible assets (including capital work-in-progress)	(873.45)	(194.39)
	Purchase of Investments	(84.00)	(87.27)
	Sale of Investments	425.06	45.77
	Interest Received	17.68	6.85
	Movement in other bank balances	315.59	(388.71)
	Net cash generated from / (used in) investing activities	(199.12)	(617.75)

Particulars		Year ended 31 March 2025	Year ended 31 March 2024
C	Cash flow from financing activities		
	Repayment of long term borrowings	53.46	(28.75)
	Repayment of Lease Liability	(53.97)	(51.40)
	Increase/ (Decrease) in Overdraft facility	(107.85)	(26.19)
	Proceeds from issue of shares and share warrants	-	0.77
	Dividend paid	(78.91)	(78.91)
	Finance Cost	(100.68)	(121.38)
	Net cash generated from financing activities	287.94	(305.86)
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	0.44	21.44
	Opening balance of cash and cash equivalents	48.43	26.98
	Closing balance of cash and cash equivalents	48.87	48.42
	Components of cash and cash equivalents:		
	Balances with banks in current accounts	43.60	35.91
	Cash on hand	5.27	12.51
	Cash and cash equivalents as per financial statements (Refer note 9)	48.87	48.42

The accompanying notes are an integral part of these consolidated financial statements
This is the Consolidated Statement of Cash Flow referred to in our report of even date

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.

The accompanying notes are an integral part of these consolidated financial statements.
This is the Consolidated Balance Sheet referred to in our report of even date.

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: 24th May, 2025
UDIN: 24101769BKAJPE7703

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

Notes to the Consolidated Financial Statements for the year ended 31st March 2025

(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, 2025.

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').

The Consolidated financial statements are approved for issue by the Board of Directors on 24th May, 2025.

(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 2025.

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, 2025	Holding as at 31st March, 2024	Accounting period
Skytech Textiles Private Limited	India	99.98%	99.80%	01st April, 2024 to 31st March, 2025

(b) Basis of Measurement

Export incentive income is recognised post-export, based on entitlements under prevailing schemes. It is recognised in the year of exports when it is highly probable that no significant reversal will occur. Estimated rates are used at initial recognition and differences on actual receipt are adjusted when known.

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

The Group derives revenues primarily from sale of manufactured goods, traded goods and related services.

Revenue from contracts with customers is recognised when control of the goods is transferred to the customer on satisfaction of performance obligations. The performance obligations as per contracts with customers are fulfilled at the time of dispatch or delivery of goods depending upon the terms agreed with customer. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods before transferring them to the customer. 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 is net of variable consideration on account of trade discounts and rebates offered by the Group as part of the contract. Amounts disclosed as revenue are net of returns and allowances. The Group collects goods and services tax on behalf of the government and therefore, these are not economic benefits flowing to the Group. Hence, these are excluded from the revenue.

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 incentive income is recognised post-export, based on entitlements under prevailing schemes. It is recognised in the year of exports when it is highly probable that no significant reversal will occur. Estimated rates are used at initial recognition and differences on actual receipt are adjusted when known.

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	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:

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 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.

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 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 valued at the lower of cost and net realisable value. Cost includes all costs of purchase, conversion costs, and other costs incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price in the ordinary course of business, less the estimated costs of completion and the costs necessary to make the sale.

Cost is determined using the weighted average cost method or specific identification, as applicable.

a) Raw Material

Cost includes purchase price, taxes (other than recoverable taxes), freight, and other directly attributable expenses. Valued using the moving weighted average cost method. Raw materials are not written down below cost if the related finished goods are expected to be sold at or above cost. However, a write-down is made when a decline in the price of raw materials indicates that the cost of finished goods exceeds their net realisable value.

b) Work-in-Progress (WIP)

Valued at cost, including cost of raw materials, direct labour, and a proportion of manufacturing overheads based on the stage of completion. Cost is determined using the moving weighted average basis.

c) Finished Goods

Include cost of raw materials, conversion costs (direct labour, manufacturing overheads) and packing materials. Valued at the lower of cost of production and net realisable value

d) Stock-in-Trade

Valued at cost or net realisable value, whichever is lower, using the moving weighted average or specific identification method, as applicable.

e) Goods-in-Transit

Valued at cost, including directly attributable costs incurred up to the reporting date.

f) Stores and Spares

Valued at weighted average cost, including all incidental procurement costs.

Due allowance is made for obsolete, slow-moving and defective inventories based on periodic evaluation of the usability and marketability of such items

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 accompanying 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

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2025, which amend Ind AS 21, The Effects of Changes in Foreign Exchange Rates. These amendments are effective for annual reporting periods beginning on or after 1st April 2025.

The Company has evaluated these amendments and the same will not have any impact on its financial statements.

3 Property, plant and equipment

(All amount in Rupees lakhs, unless otherwise stated)

Particulars	Leasehold Land	Factory Buildings	Plant and Machinery	" Furniture and fixtures "	Vehicles	Office equipment	Computers	Total
Gross block								
Balance as at 1st April 2023	41.33	236.05	1,094.77	62.87	105.57	38.21	20.72	1,599.52
Additions	-	-	144.54	19.54	-	2.44	10.17	176.69
Disposals / adjustments	-	-	-	-	-	-	-	-
Balance as at 31 March 2024	41.33	236.05	1,239.31	82.43	105.57	40.65	30.89	1,776.22
Additions	-	-	34.78	22.59	44.65	3.80	9.43	115.24
Disposals / adjustments	-	-	-	-	-	-	-	-
Balance as at 31 March 2025	41.33	236.05	1,274.09	105.02	150.22	44.45	40.32	1,891.46
Accumulated depreciation and amortisation								
Balance as at 1st April 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
Depreciation charge	0.52	12.28	91.39	9.29	12.75	2.31	6.81	135.36
Reversal on disposals / adjustments								
Balance as at 31 March 2025	5.07	86.22	553.48	43.92	67.73	36.41	26.89	819.72
Net block								
Balance as at 31 March 2024	36.78	162.11	777.21	47.80	50.60	6.55	10.82	1,091.86
Balance as at 31 March 2025	36.26	149.82	720.61	61.10	82.49	8.04	13.43	1,071.74

(All amount in Rupees lakhs, unless otherwise stated)

3A Capital work-in-progress

Particulars	Freehold Land	Factory Buildings	Plant & Machinery	Total
Gross block				
Balance as at 1st April 2023	-	16.76	-	16.76
Additions	-	-	4.05	4.05
Disposals / adjustments	-	-	-	-
Balance as at 31 March 2024	-	16.76	4.05	20.81
Additions	729.03	16.96	-	745.99
Disposals / adjustments	-	-	(4.05)	(4.05)
Balance as at 31 March 2025	729.03	33.72	-	762.75

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 2025					
Projects in progress	745.99	-	-	16.76	762.75
Projects temporarily suspended	-	-	-	-	-
TOTAL	745.99	-	-	16.76	762.75

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

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 2025				
Projects in progress	16.76	-	-	-
Projects temporarily suspended	-	-	-	-
TOTAL	16.76	-	-	-

3B Other Intangible assets

Particulars	Software Licenses	Total
Balance as at 1st April 2023	2.48	2.48
Additions	-	-
Disposals / adjustments	-	-
Balance as at 31 March 2024	2.48	2.48
Additions	5.10	5.10
Disposals / adjustments	-	-
Balance as at 31 March 2025	7.57	7.57
Accumulated amortisation		
Balance as at 1st April 2023	1.73	1.73
Amortisation charge	0.31	0.31

Particulars	Software Licenses	Total
Reversal on disposals / adjustments	-	-
Balance as at 31 March 2024	2.04	2.04
Amortisation charge	0.32	0.32
Reversal on disposals / adjustments		
Balance as at 31 March 2025	2.35	2.35
Net block		
Balance as at 31 March 2024	0.44	0.44
Balance as at 31 March 2025	5.22	5.22

3C Intangible assets under development

Particulars	Software Licenses	Total
Gross block		
Balance as at 1st April 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
Additions	15.37	15.37
Transfer from CWIP	(4.20)	(4.20)
Disposals / adjustments	-	-
Balance as at 31 March 2025	31.54	31.54

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 2025					
Projects in progress	11.17	13.65	6.72	-	31.54
Projects temporarily suspended	-	-	-	-	-
TOTAL	11.17	13.65	6.72	-	31.54

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	6.72	-	-	20.37

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.

(All amount in Rupees lakhs, unless otherwise stated)

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

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Balance at the beginning of the year	53.64	99.63
Add: Additions	-	-
Less: Depreciation	(45.98)	(45.98)
Less: Reduction on Termination of contract	-	-
Balance at the end of the year	7.66	53.64

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

Particulars	As at 31 March 2025	As at 31 March 2024
i) Movement in lease liabilities		
Balance at the beginning of the year	59.99	104.20
Add : Additions	-	-
Add: Accretion of interest	3.18	7.18
Less: Payments	(53.97)	(51.40)
Balance at the end of the year	9.19	59.99
ii) Details of contractual maturities of lease liabilities on undiscounted basis		
Less than one year	9.29	53.97
One to two years	-	9.29
Two to five years	-	-
More than five years	-	-
Total	9.29	63.26
iii) Break-up of lease liabilities on discounted basis		
Lease liabilities (current)	9.19	50.80
Lease liabilities (non-current)	-	9.19
TOTAL	9.19	59.99

(c) Amount recognised in statement of profit and loss

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Depreciation expense of right of use assets (Refer note 30)	45.98	45.98
Interest expense on lease liabilities	3.18	7.18
Rent expense relating to short-term lease (Refer note 31)	70.03	66.19
TOTAL	119.19	119.35

(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.

(All amount in Rupees lakhs, unless otherwise stated)

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

Particulars	As at 31 March 2025		As at 31 March 2024	
	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)	12,05,649	537.19	17,52,926	560.31
TOTAL	-	537.19	-	560.31
Aggregate value/ market value of quoted investments	-	-	-	-
Aggregate value/ market value of unquoted investments	12,05,649	537.19	17,52,926	560.31
Aggregate amount of impairment in value of investments	-	-	-	-
TOTAL	-	537.19	-	560.31

4B Financial Assets - Investments (Current)

Particulars	As at 31 March 2025		As at 31 March 2024	
	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)	-	-	7,46,874	264.31
TOTAL	-	-	7,46,874	264.31
Aggregate amount of unquoted investments - At fair value through profit and loss	-	-	7,46,874	264.31
Aggregate value/ market value of quoted investments	-	-	-	-
Aggregate value/ market value of unquoted investments	-	-	7,46,874	264.31
Aggregate amount of impairment in value of investments	-	-	-	-
TOTAL	-	-	7,46,874	264.31

5 Financial Assets - Others (Non-Current)

Particulars	As at 31 March 2025	As at 31 March 2024
[Unsecured, considered good]		
Security deposits	29.65	35.71
TOTAL	29.65	35.71

6 Non Current Tax Assets (Net)

Particulars	As at 31 March 2025	As at 31 March 2024
Income Tax Asset (Net of provision)	4.34	4.34
TOTAL	4.34	4.34

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

Particulars	As at 31 March 2025	As at 31 March 2024
Raw Materials	1,177.68	767.30
Work in Progress	234.81	199.67
Finished Goods	748.14	1,052.61
Packing Material	32.47	33.59
TOTAL	2,193.11	2,053.17

(All amount in Rupees lakhs, unless otherwise stated)

8 Trade receivables

Particulars	As at 31 March 2025	As at 31 March 2024
Unsecured, considered good	1,103.04	1,121.07
Less: Allowances for expected credit losses	(27.75)	(30.10)
	1,075.29	1,090.97
Trade receivables - Credit Impaired	-	-
Less: Allowances for expected credit losses	-	-
TOTAL	1,075.29	1,090.97

Note:

- Above trade receivables includes NIL (Rs 137.15 Lakhs) dues from Private Companies in which a director is a director or member. Refer Note no 41 for details of related party
- Refer Note - 39 for information about credit risk of trade receivables.
- Refer Note - 42 for trade receivables ageing details.

9 Cash and cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
Balances with banks in current accounts	43.60	35.90
Cash on hand	5.27	12.51
TOTAL	48.87	48.42

10 Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
Unpaid Dividend Account (Refer note i. Below)	21.55	19.24
Margin Money with Banks (Refer note ii. Below)	151.53	469.42
TOTAL	173.07	488.66

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 Bank.

11 Financial Assets - Others (Current)

Particulars	As at 31 March 2025	As at 31 March 2024
[Unsecured, considered good]		
Security deposits	50.47	33.69
TOTAL	50.47	33.69

(All amount in Rupees lakhs, unless otherwise stated)

12 Other current assets

Particulars	As at 31 March 2025	As at 31 March 2024
Advances other than capital advances		
Advance to employees	40.98	31.81
Advance to suppliers / expenses	157.90	36.94
Others		
Balance with government authorities	241.83	342.57
Export incentive receivable	45.39	57.17
Prepaid expenses	24.07	19.08
TOTAL	510.17	487.57

13 Equity share capital

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of shares	Amount	No. of shares	Amount
Authorised share capital				
Equity Shares of Rs. 10/- each	15,000,000	1,500.00	15,000,000	1,500.00
Redeemable Preference Shares of Rs. 100/- each	500,000	500.00	500,000	500.00
Total Authorized Share Capital	15,500,000	2,000.00	15,500,000	2,000.00
Issued, subscribed and fully paid up shares				
Equity shares of Rs. 10 each	7,890,541	789.05	7,890,541	789.05
Total issued, subscribed and paid up share capital	7,890,541	789.05	7,890,541	789.05

a) Issued during the previous year:

- (i) During the FY 2023-24 company has allotted 30,700 shares pursuant to the exercise of the options by the eligible employees under the ESOP Plan 2018

b) Reconciliation of the number of shares outstanding :

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of Shares	Amount	No. of Shares	Amount
Shares at the beginning of the year	7,890,541	78,905,410.00	7,859,841	78,598,410.00
Add: Issued during the year (refer note (a) above)	-	-	30,700	307,000.00
Less: Shares bought back during the year	-	-	-	-
Shares at the end of the year	7,890,541	78,905,410.00	7,890,541	78,905,410.00

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 2025		As at 31 March 2024	
	No. of Shares	%	No. of Shares	%
Shailesh Shah	2,780,623	35.24%	2,780,623	35.24%
Sharad Shah	1,162,043	14.73%	1,162,043	14.73%
Saloni Dedhia	474,400	6.01%	474,400	6.01%
Harini Narendra Dedhia	530,000	6.72%	530,000	6.72%
Skay Finvest Pvt Ltd *	163,500	2.07%	163,500	2.07%
Total	5,110,566	64.77%	5,110,566	64.77%

* Beneficial ownership is of Shailesh Shah

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

As at 31 March 2025

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Shailesh S. Shah	2,780,623	-	2,780,623	35.24%	0.00%
Sharad S. Shah	1,162,043	-	1,162,043	14.73%	0.00%
Saloni Dedhia	474,400	-	474,400	6.01%	0.00%
Sangita Shailesh Shah	4,350	-	4,350	0.06%	0.00%
Skay Finvest Private Limited	163,500	-	163,500	2.07%	0.00%
Total	4,584,916	-	4,584,916	58.11%	0.00%

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	2,780,623	-	2,780,623	35.24%	-0.14%
Sharad S. Shah	1,162,043	-	1,162,043	14.73%	-0.06%
Saloni Dedhia	474,400	-	474,400	6.01%	-0.02%
Sangita Shailesh Shah	4,350	-	4,350	0.06%	0.00%
Sky Finvest Private Limited	163,500	-	163,500	2.07%	-0.01%
Total	4,584,916	-	4,584,916	58.11%	-0.23%

14 Other Equity

Particulars	No. of shares	Amount
As at 01 April 2023	7,859,841	785.98
Changes in equity share capital	30,700	3.07
As at 31 March 2024	7,890,541	789.05
As at 01 April 2024	7,890,541	789.05
Changes in equity share capital	-	-
As at 31 March 2025	7,890,541	789.05

Other equity

(All amount in Rupees lakhs, unless otherwise stated)

Particulars	Securities Premium	General Reserve	Retained Earnings	Share Warrants	Share options outstanding account	Total
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	-	-	454.95	-	-	454.95
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)
Employee stock option plan 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	2,392.69	-	(0.00)	3,227.39
Opening balance as at 1 April 2024	736.23	98.46	2,392.69	-	(0.00)	3,227.39
Transactions during the year						
Total comprehensive income for the year						
Profit for the year	-	-	585.18	-	-	585.18
Remeasurements gains on defined benefit plans	-	-	(8.82)	-	-	(8.82)
Transactions with owners in their capacity as owners						
Issue of equity shares on exercise of Employee Stock Options	-	-	-	-	-	-
Share based payment expenses	-	-	-	-	-	-
Dividend paid for the FY 2023-24	-	-	(78.91)	-	-	(78.91)
Closing balance as at 31 March 2025	736.23	98.46	2,890.14	-	(0.00)	3,724.84

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 35)

14a Dividends Paid / Proposed during the year

Particulars	As at 31 March 2025	As at 31 March 2024
Corporate dividend paid during the year		
Dividend Paid	78.91	78.91
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 2025	As at 31 March 2024
Secured		
Term Loans - Banks	58.04	4.58
TOTAL	58.04	4.58

Notes :-

A Term Loans :

- Term loan from HDFC Bank Ltd. aggregating to Rs. 2.44 Lakhs (Previous year Rs. 5.85 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. 2.14 Lakhs (Previous year Rs. 5.57 Lakhs) carries interest rate @ 8.35 % p.a. repayable in 60 equated monthly installments of Rs. 0.31 Lakhs each.
- Term loan from Kotak Mahindra Prime Ltd. aggregating to Rs 12.33 Lakhs (Previous year Rs. 0) carries interest rate @ 9.07% p.a. repayable in 60 equated monthly installments of Rs. 0.25 Lakhs each.
- Term loan from Union Bank of India aggregating to Rs 28.74 Lakhs (Previous year Rs. 0) carries interest rate @ 8.65 % p.a. repayable in 60 equated monthly installments of Rs. 0.60 Lakhs each.
- Term loan from Union Bank of India aggregating to Rs 28.74 Lakhs (Previous year Rs. 0) carries interest rate @ 8.65 % p.a. repayable in 60 equated monthly installments of Rs. 0.60 Lakhs each.
- Emergency Credit Line Guarantee Scheme (ECLGS) loan from Kotak Mahindra Bank Ltd. aggregating to Nil (Previous year Rs. 27.27 lakh) 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.

(All amount in Rupees lakhs, unless otherwise stated)

16 Other Financial Liabilities (Non-Current)

Particulars	As at 31 March 2025	As at 31 March 2024
Trade deposits from customers	9.00	1.75
TOTAL	9.00	1.75

17 Provisions (non-current)

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits		
Gratuity	26.05	8.01
Compensated absences	2.07	1.97
TOTAL	28.12	9.98

18 Deferred tax liabilities (net)

Particulars	As at 31 March 2025	As at 31 March 2024
Deferred tax liability on account of :		
Depreciation and amortisation	84.84	87.48
Investment in mutual funds	21.98	24.78
Preliminary expenses of Subsidiary	-	0.08
	106.82	112.34
Deferred tax assets on account of :		
Provision for Bad Debts and	6.83	7.58
Provision for Employee Benefit Expenses	8.85	3.89
Provision for temporary difference	16.23	13.90
Carry forward losses of Subsidiary	9.39	2.40
	41.29	27.77
Deferred tax liabilities (net)	65.52	84.57

19 Borrowings (current)

Particulars	As at 31 March 2025	As at 31 March 2024
Secured		
Loans repayable on demand (Refer Note 19.1, 19.2 & 19.3 below)	1,092.25	1,179.43
Current Maturities of Long Term Debt - Bank	16.36	36.29
Current Maturities of Long Term Debt - Non Banking Financial Company	-	0.63
Secured		
Loan from Directors		0.11
TOTAL	1,108.61	1,216.46

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.

(All amount in Rupees lakhs, unless otherwise stated)

20 Trade payables

Particulars	As at 31 March 2025	As at 31 March 2024
Due to Micro and Small Enterprises (Refer Note Below)	35.71	23.47
Total outstanding dues of creditors other than micro enterprises and small enterprises - related parties (Refer note 41)	429.93	602.19
TOTAL	465.64	625.66

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, 2025 and March 31, 2024 is as under:

Particulars	As at 31 March 2025	As at 31 March 2024
- Dues remaining unpaid to any supplier Principal	35.71	23.47
- Interest on the above	-	-
- Amount of interest paid in terms of section 16 of the MSMED Act, 2006, along with 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	35.71	23.47

(All amount in Rupees lakhs, unless otherwise stated)

21 Other financial liabilities (current)

Particulars	As at 31 March 2025	As at 31 March 2024
Unclaimed Dividend*	21.55	19.24
TOTAL	21.55	19.24

* 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 2025	As at 31 March 2024
Advance received from Customers	28.26	60.68
Statutory Dues	44.91	45.55
Other Payables *	55.64	41.84
TOTAL	128.81	148.07

* Includes related party balances of Rs 11.38 Lakhs (Previous year Rs. 19.88 Lakhs)

(All amount in Rupees lakhs, unless otherwise stated)

23 Provisions (current)

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits		
Compensated absences	0.30	0.84
Others Provision		
Provision for Tax (Net of Taxes Paid 138.49 Lakhs)	5.41	5.17
Provision for Expenses	86.94	61.54
TOTAL	92.65	67.55

24 Revenue from operations

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Revenue from Contract with Customers		
Sale of Products	8,318.23	8,080.96
Sale of Services	17.74	23.98
Other operating revenues		
Export Incentives	51.61	40.56
Scrap Sales	21.26	20.52
TOTAL	8,408.83	8,166.02

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.

24a Revenue from Contract with Customers

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Revenue from contracts with customers disaggregated based on geography		
Domestic Market	6,655.64	6,836.88
Exports	1,680.33	1,268.06
TOTAL	8,335.97	8,104.94

(All amount in Rupees lakhs, unless otherwise stated)

24b Assets and liabilities related to contracts with customers

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
The following table provides information about receivables, contract assets and contract liabilities from contracts with customers		
Trade receivables	1,075.29	1,090.97
Unbilled receivables	-	-
Contract assets	-	-
Contract liabilities	28.26	60.68

25 Other income

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
(a) Interest income		
Interest income on financial assets measured at amortised cost		
On Security Deposits	1.04	0.98
On Fixed Deposits	10.33	5.76
Interest on income tax refund	-	0.65
(b) Other non-operating income		
Liabilities no longer payable written back	5.79	1.65
Miscellaneous income	0.93	2.03
Insurance Claim	13.91	
Impairment Allowance for doubtful debts	2.98	-
(c) Other gains and losses		
Net gain arising on financial assets measured at FVTPL*	53.62	97.14
Net gain on foreign currency transaction	51.70	42.04
TOTAL	140.30	150.25

Notes:

* Includes gain on sale of financial assets measured at FVTPL for 0 (Previous year - 6.58 lakhs)

26 Cost of materials consumed

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Raw materials and packing materials consumed		
Opening stock	800.89	622.35
Add: Purchases	5,207.27	5,026.45
Less : Closing stock	(1,210.15)	(800.89)
TOTAL	4,798.01	4,847.92

27 Changes in inventories of finished goods and stock in trade

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Opening stocks:		
Finished goods	1,054.40	1,234.85
Work in progress	199.67	324.98
TOTAL	1,254.06	1,559.82
Less : Closing stock		
Finished goods	748.14	1,054.40
Work in progress	234.81	199.67
TOTAL	982.95	1,254.06
Net change in inventories	271.11	305.76

Inventories are valued at lower of cost or net realizable value. Refer note 2.9 of Significant Accounting Policies

(All amount in Rupees lakhs, unless otherwise stated)

28 Employee benefits expense

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Salaries, Wages and Bonus	513.55	394.45
Directors remuneration	165.51	151.02
Contribution to provident and other funds (Refer note 40)	11.22	8.57
Gratuity expenses (Refer note 40)	6.25	8.71
Share based payment expenses (Refer note 35)	-	1.72
Staff welfare expenses	38.93	30.11
TOTAL	735.46	594.57

29 Finance costs

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Interest expenses on:		
Borrowings	99.75	125.16
Others (Including interest on delay payment of statutory dues and vendors)	4.10	3.41
TOTAL	103.85	128.57

30 Depreciation and amortisation expense

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Depreciation on property, plant and equipment (Refer Note 3)	135.36	128.35
Amortisation of intangible assets (Refer Note 3B)	0.32	0.31
Depreciation on Right of use of Assets (Refer Note 3C)	45.98	45.98
TOTAL	181.65	174.64

31 Other expenses

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Power, Fuel and Utilities	232.65	216.42
Labour charges	467.05	431.00
Lease rent	70.03	66.19
Director sitting fee	2.30	2.00
Rates and taxes	34.49	59.40
<u>Repairs & Maintenance on :</u>		
Building	3.28	-
Plant and Machinery	23.47	10.37
Other Repairs	31.63	30.54
Insurance	11.88	8.86
Legal and Professional Fees	139.17	81.53
Freight Forwarding Charges	143.20	130.38
Travelling and Conveyance	135.10	116.75
Advertisement & Sales Promotion expenses	29.41	19.92
Payment to Auditors	9.18	7.76
Expenditure incurred for Corporate Social Responsibility	10.46	7.50
Bad Debt Written off	0.63	23.11
Less: Withdrawn from provision for doubtful debts	-	(10.14)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Impairment Allowance for doubtful debts	-	30.10
Postage, Telephone & Courier	16.24	21.87
Printing & Stationery	14.15	13.66
Miscellaneous expenses	55.32	66.60
TOTAL	1,429.63	1,333.82

Break up of Payment to Auditors

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Audit Fees	7.50	6.60
Tax Matters	1.35	0.85
Other Services	0.33	0.31
Total	9.18	7.76

32 Disclosure Of Retrospective Impact Given For Prior Period Errors

Particulars	Year ended, March 2024
Total Comprehensive Income reported earlier	417.85
<u>Adjustment for Prior Period Items:</u>	
Purchases of Stock in trade	-40.97
Net increase/(decrease) in Total Comprehensive Income	40.97
Total Comprehensive Income attributable to the owners of the company now restated	458.82
EPS (basic and diluted) now restated	5.77
EPS (basic and diluted) reported earlier	5.25

Reconciliation of Property, Plant and Equipment as at 31.03.2024

Particulars	Year ended, March 2024
Property, plant and equipment reported earlier	1,050.90
Adjustment for prior period items:	40.97
Property, plant and equipment now restated	1,091.87

Reconciliation of Other Equity as at 31.03.24

Particulars	Year ended, March 2024
Other Equity reported earlier (Audited)	3,186.42
Adjustment for prior period items:	
Purchases of Stock in trade	-40.97
Other equity now restated	3,227.39

33 Contingent liabilities and capital commitments

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
(i) Contingent Liabilities:		
(a) Property Tax towards Navi Mumbai Municipal Corporation of various years	53.30	53.30
(b) Tax deducted at source payable	0.60	3.21
(c) Income Tax demand	1.22	1.22

(All amount in Rupees lakhs, unless otherwise stated)

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. Thus, the amount of contingent liability reported is without considering the amount of interest
- (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 Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	As at 31 March 2025	As at 31 March 2024
Capital commitments	256.20	-
Less: Capital advances paid	79.43	-
Net Capital commitments	185.70	-

35 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 their 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	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 2025		Year ended 31 March 2024	
	Numbers of options	Weighted average exercise price	Numbers of options	Weighted average exercise price
Balance at beginning of year	-	-	30,700	10.00
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	(30,700)	-
Expired during the year	-	-	-	10.00
Balance at the end of the year	-	-	-	10.00
Exercisable at the end of the year	-	-	-	10.00

(iii) The vesting pattern of the ESOP has been provided as below:

Particulars	Number of options	
	ESOP Plan 2018	Total
Year of vesting		
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	-	-

(iv) Fair value of options granted

The fair value at grant date is determined using the Black-Scholes model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Particulars	ESOP Plan 2018
Grant date	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 2025	Year ended 31 March 2024
Share based payment expenses*	-	1.72
Share options outstanding account	-	-

(All amount in Rupees lakhs, unless otherwise stated)

*Including for KMPs

Share based payment expenses	Year ended 31 March 2025	Year ended 31 March 2024
Maikal Rorani	-	0.27
Vaibhav Desai	-	0.22

36 Earnings per share

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Net profit attributable to equity shareholders (Rs in lakhs)	585.18	454.95
Weighted average number of equity shares outstanding during the year - Basic	7,890,541	7,890,541
Weighted average number of equity shares outstanding during the year - Diluted (Refer note a below)	7,890,541	7,890,541
Basic profit per share (in Rs.)	7.42	5.77
Diluted profit per share (in Rs.)	7.42	5.77
Face value of share (in Rs.)	10	10

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 35

37 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 2025	As at 31 March 2024
Adjusted net debt	944.71	419.65
Adjusted equity	4,513.93	4,016.44
Net debt to equity ratio	0.21	0.10
Borrowings		
Non-current borrowings	58.04	4.58
Current borrowings	1,108.61	1,216.54
Gross debt	1,166.65	1,221.12
Less : Cash and bank balances		
Current Investment in Mutual Fund	-	(264.31)
Cash and cash equivalents	(48.87)	(48.42)
Bank balances other than cash and cash equivalents	(173.07)	(488.66)
Adjusted net debt	944.71	419.73
Total equity as per balance sheet	4,513.19	4,016.44
Adjusted equity	4,513.19	4,016.44

(All amount in Rupees lakhs, unless otherwise stated)

38 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 2025	As at 31 March 2024
Financial assets		
Measured at fair value through profit and loss		
Investment in mutual funds	537.19	824.62
	537.19	824.62
Measured at amortised cost		
Trade receivables	1,075.29	1,090.97
Cash and cash equivalents	48.87	48.42
Bank balances other than cash and cash equivalents	173.07	488.66
Loans	-	-
Other financial assets	80.12	69.41
	1,377.36	1,697.47
TOTAL	1,914.54	2,522.08
Financial liabilities		
Measured at amortised cost		
Borrowings	1,166.65	1,221.04
Lease liabilities	9.19	59.99
Trade payables	465.64	625.66
Other financial liabilities	30.54	20.99
TOTAL	1,672.02	1,927.68

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 2025	As at 31 March 2024
Financial assets		
Level 1		
Investments in mutual funds units	537.19	824.62
TOTAL	537.19	824.62

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.

39 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 exposes 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 2025	As at 31 March 2024
Variable-rate instruments		
Financial Liabilities - Borrowings	1,092.25	1,179.43
Total	1,092.25	1,179.43

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 2025		As at 31 March 2024	
	1% increase	1% decrease	1% increase	1% decrease
Financial Liabilities - Borrowings	(10.92)	10.92	(11.79)	11.79
Total	(10.92)	10.92	(11.79)	11.79

Financial Instrument	Increase / (Decrease) in Equity, net of tax			
	As at 31 March 2025		As at 31 March 2024	
	1% increase	1% decrease	1% increase	1% decrease
Financial Liabilities - Borrowings	(8.17)	8.17	(8.83)	8.83
Total	(8.17)	8.17	(8.83)	8.83

(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 2025, the investments in mutual fund (at market value) amounts to Rs. 537.19 Lakhs (31st March, 2024 : Rs.824.62 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 2025		As at 31 March 2024	
	3% increase	3% decrease	3% increase	3% decrease
Investment in Mutual Funds	16.12	(16.12)	24.74	(24.74)
Total	16.12	(16.12)	24.74	(24.74)

(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 2025	As at 31 March 2024
Financial Assets			
Trade receivables	USD	85,999	1,43,357
	EURO	3,066	-
Financial Liabilities			
Trade payables	USD	6,18,221	4,40,148

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 2025		As at 31 March 2024	
	5% increase	5% Decrease	5% increase	5% Decrease
USD	(22.77)	22.77	(12.37)	12.37
EURO	0.14	(0.14)	-	-
Total	(22.63)	22.63	(12.37)	12.37

(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 2025	As at 31 March 2024
Opening balance of expected loss provision	30.10	10.15
Add : Provisions made / (reversed)	(2.34)	43.06
Less : Utilisation for impairment / de-recognition / write-off	-	(23.11)
Closing balance	(27.75)	30.10

Also refer note no. 42 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, 2025 and 31st March 2024 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 2025		As at 31 March 2024	
	Less than 12 months	More than 12 months	Less than 12 months	More than 12 months
Long Term Borrowings	22.13	40.99	37.55	4.72
Working Capital Loans from Banks	1,086.48	-	1,178.92	-
Trade Payables	465.64	-	625.66	-
Lease liabilities	9.29	-	53.97	9.29
Other Financial Liabilities	21.54	9.00	19.24	1.75
Total	1,605.08	49.99	1,915.34	15.76

40 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 financial statements as at March 31, 2025 and March 31, 2024.

Details of defined benefit obligation and plan assets

(a) Retiring Gratuity

Sr. No.	Particulars	31st March 2025	31st March 2024
I	Components of Employer Expenses		
	Current Service Cost	6.39	6.39
	Interest Cost	(0.14)	(0.15)
	Actuarial (Gain)/Loss	11.79	(5.17)
	Total Expenses/(Gain) recognized in the Profit & Loss Account	18.05	1.07
II	Net Asset/ (Liability) recognized in Balance Sheet		
	Present value of Funded Obligation	55.90	36.86
	Fair Value of Plan Assets	29.85	28.85
	Assets/(Liability) recognized in the Balance Sheet	26.05	8.01

		As at 31 March 2025	As at 31 March 2024
III	Change in Defined Benefit Obligations (DBO)		
	Opening Balance of Present Value of Obligation	8.01	6.94
	Current Service Cost	6.39	6.39
	Interest Cost	(0.14)	(0.15)
	Actuarial (Gain)/Loss	11.79	(5.17)
	Contribution Paid	-	-
	Closing Balance of Present Value of Obligation	26.05	8.01
IV	Changes in the Fair Value of Plan Assets		
	Opening Balance of Fair Value of Plan assets of Obligation	28.85	30.00
	Expected Return on Plan Assets	(0.13)	(0.90)
	Interest Income	1.98	2.07
	Actuarial Gain/(Loss)	-	-
	Contribution by Employer	-	-
	Benefit Paid	(0.85)	(2.32)
	Fair Value of Plan Assets as at 31st March	29.85	28.85

	Mortality	31st March 2025	31st March 2024
		IALM (2012-14) Ult	IALM (2012-14) Ult
V	Actuarial Assumption		
	Mortality	IALM (2012-14) Ult	IALM (2012-14) Ult
	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 2025	As at 31 March 2024
	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 2025	As at 31 March 2024
VII	Movement in net liability recognized in Balance Sheet		
	Net Opening Liability	8.01	6.94
	Contribution paid	-	-
	Other Comprehensive income	11.79	(5.17)
	P & L Charges / (Income)	6.25	6.24
	Closing Net Liability	26.05	8.01

	Particulars	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
		Increase	Decrease	Increase	Decrease
VIII	Gratuity Liability - Sensitivity Analysis				
	Salary Growth Rate (1% movement)	57.82	54.22	38.28	35.61
	Discount Rate (1% movement)	54.22	57.84	35.62	38.29

(B) Leave obligations

The leave obligations cover the Company's liability for sick and earned leave. The amount of the provision of 2.37 lakhs (31 March 2024 2.81 lakhs)

(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. 11.22 Lakhs (Previous year Rs. 8.57 Lakhs)

41 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 (ceased with effect from 28th March, 2025)

B Key Managerial Personnel / persons exercising significant influence & their relatives**i. Executive Directors :**

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

ii. Independent Directors :

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

iii. Company Secretary:

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 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024
TRANSACTIONS						
PURCHASES						
Purchase of Services						
S. K. Ultratech Machines Private Limited	-	-	18.17	6.96	18.17	6.96

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 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024
Purchase of Goods						
Cricketnco Apparels Private Limited	-	-	-	16.99	-	16.99
S. K. Ultratech Machines Private Limited	-	-	9.38	2.07	9.38	2.07
Total	-	-	27.55	26.02	27.55	26.02
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 (Sky Industries Ltd)	-	10.45	-	-	-	10.45
Vaibhav Desai (Skytech Textiles Ltd)	17.76	-			17.76	
Maikal Raorani	29.10	29.10	-	-	29.10	29.10
M. Gopalakrishnan	21.95	7.72			21.95	7.72
REMUNERATION TO COMPANY SECRETARY*						
Priyal Ruparelia	8.02	6.11	-	-	8.02	6.11
Total	172.83	149.37	-	-	172.83	149.37
SITTING FEES						
Amarendra Mohapatra	0.50	0.50	-	-	0.50	0.50
Sanghamitra Sarangi	0.60	0.50	-	-	0.60	0.50
Lokanath Mishara	0.60	0.50	-	-	0.60	0.50
Nitin Arvind Oza	0.60	0.50	-	-	0.60	0.50
Total	2.30	2.00	-	-	2.30	2.00
SALARY						
Saloni Shah	22.59	18.09	-	-	22.59	18.09
Total	22.59	18.09	-	-	22.59	18.09
SHARES ISSUED						
Vaibhav Desai	-	0.40	-	-	-	0.40
Maikal Raorani	-	0.48	-	-	-	0.48
Total	-	0.88	-	-	-	0.88

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 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024
OUTSTANDING BALANCES						
TRADE PAYABLES						
S. K. Ultratech Machines Private Limited	-	-	8.94	4.64	8.94	4.64
TRADE RECEIVABLE						
Cricketnco Apparels Private Limited	-	-	-	76.53	-	76.53
Total	-	-	8.94	81.17	8.94	81.17
REMUNERATION / SALARY PAYABLE						
Shailesh Shah	3.84	7.00	-	-	3.84	7.00
Sharad Shah	2.41	4.50	-	-	2.41	4.50
Vaibhav Desai	1.26	1.32	-	-	1.26	1.32
Maikal Raorani	1.94	2.21	-	-	1.94	2.21
M. Gopalakrishnan	1.58	1.39	-	-	1.58	1.39
Saloni Dedhia	0.98	1.80	-	-	0.98	1.80
Priyal Ruparelia	0.63	1.18	-	-	0.63	1.18
Total	12.63	19.40	-	-	12.63	19.40

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
- * 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.

42 Ageing for Trade Receivables outstanding as at March 31, 2025 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	646.22	387.15	27.33	16.02	1.68	24.64	1,103.04
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	-	-	-	-	-	-	-
	646.22	387.15	27.33	16.02	1.68	24.64	1,103.04

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	
Less: Allowance for doubtful trade receivables							(27.75)
TOTAL							1,075.29

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

43 Ageing for trade payables outstanding as at March 31, 2025 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 of micro enterprises and small enterprises	35.71	-	-	-	35.71
Total outstanding dues of creditors other than micro enterprises and small enterprises	382.07	1.21	-	46.65	429.93
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
TOTAL	417.78	1.21	-	46.65	465.64

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 of micro enterprises and small enterprises	22.42	0.68	0.38	-	23.47
Total outstanding dues of creditors other than micro enterprises and small enterprises	506.30	2.80	15.26	77.82	602.19
Disputed dues of micro enterprises and small enterprises					-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
TOTAL	528.72	3.48	15.63	77.82	625.66

44 Components of Tax expense / (credit)

Particulars	As at 31 March 2025	As at 31 March 2024
I. Tax expense recognised in Statement of Profit & Loss		
Current tax		
Tax expense for the year	214.52	143.67
Adjustments/ (Credit) related to pervious years - (net)	0.21	(0.84)
Total current tax expense	214.73	142.83
Deferred taxes		
Change in deferred tax assets	(13.52)	(8.33)
Change in deferred tax liabilities	(5.52)	7.54
Net deferred tax expense / (credit)	(19.04)	(0.79)
Total tax expense / (credit)	195.69	142.04
II. Tax on other comprehensive income		
Items that will not be reclassified to Profit and Loss		
Remeasurement of the Defined Benefit Plans	(2.97)	1.30

(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 2025	As at 31 March 2024
Profit before tax	783.84	595.70
Applicable tax rate	25.17%	25.17%
Tax using the Company's domestic tax rate	197.28	149.93
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	3.62	2.65
Effect of Income that is exempt from tax	(2.56)	(10.98)
Effect of Expenses that are allowed at lower rate	(2.78)	(6.08)
Effect for allowances for Income Tax purpose	0.13	4.20
Effect of lower rate of respective subsidiary	2.93	0.89
Other Difference	(0.17)	0.97
Total	198.44	141.58

45 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. 1,98,96,020 in equity share capital of the Subsidiary.

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

47 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

48 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.

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

The accompanying notes are an integral part of these consolidated financial statements

This is the summary of the significant accounting policies and other explanatory information referred to in our report of even date

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: 24th May, 2025
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

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 2025	100.91%	4,555.18	104.56%	611.89	100.00%	-8.82	104.63%	603.07
As at 31st March 2024	100.37%	4,031.28	102.75%	467.48	100.00%	3.87	102.73%	471.36
Subsidiary								
Skytech Textiles Private Limited								
As at 31st March 2025	3.51%	158.45	-5.09%	(29.81)	-	-	-5.17%	(29.81)
As at 31st March 2024	-0.24%	(10.75)	-1.61%	(9.44)	-	-	-1.64%	(9.44)
Non controlling interest In Subsidiary								
As at 31st March 2025	0.00%	0.04	0.00%	-0.01	-	-	0.00%	(0.01)
As at 31st March 2024	0.00%	0.00	0.00%	-0.02	-	-	0.00%	(0.02)
Adjustment Arising Out Of Consolidation								
As at 31st March 2025	-4.42%	(199.73)	0.07%	3.10	(0.00)	0.00	0.07%	3.10
As at 31st March 2024	-0.09%	(4.09)	-0.07%	(3.07)	-	-	-0.07%	(3.07)
Consolidated Net Assets / Profit & Loss								
As at 31st March 2025	100%	4,513.93	100%	585.18	100%	-8.82	100%	576.36
As at 31st March 2024	100%	4,016.44	100%	454.95	100%	3.87	100%	458.83



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:

MUFG Intime India Private Limited
(Formely known as 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@in.mpms.mufg.com